



# The Master List of State Government Programs

Fiscal Years 2003-2005

Janet Napolitano

Governor





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Governor

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**Janet Napolitano**  
**Governor**

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**David Jankofsky**  
**Director**

January 20, 2004

Mr. Richard Stavneak  
Director  
Joint Legislative Budget Committee Staff  
1716 West Adams  
Phoenix, AZ 85007

Dear Mr. Stavneak:

I am pleased to transmit the *2003 - 2005 Master List of State Government Programs*, which provides an inventory of programs and subprograms from the Executive, Legislative, and Judicial branches of government. This information provides the foundation to make government more understandable to the public, improve productivity and customer service, and strengthen accountability for results.

The budget reform process needs to be critically examined to enhance its value to Executive and Legislative decision makers and citizen owners. Through automation, the Governor's Office of Strategic Planning and Budgeting has significantly streamlined the process for collecting strategic planning information and publishing the *Master List of State Government Programs*. While the process continues to be refined, consideration must be given to the amount and quality of information that is required for State-level decision making and to support program budgeting.

On behalf of the Governor, my staff and I look forward to continuing to work in partnership with the Legislature toward implementing and improving budget reform and program budgeting for State Government.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Jankofsky", written over a light blue horizontal line.

David Jankofsky  
Director



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About the Master List



# Pending: finalization of program budgeting

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

ARIZONA'S BUDGET REFORM legislation has several components, including five-year strategic plans, operational plans (also known as *The Master List of State Government Programs*), program budgeting, 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 and followed by budgets that allocate resources in support of 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 achieving the program budgeting mandate.

## ■ MASTER LIST

Pursuant to A.R.S. § 35-122, *The Master List of State Government Programs* is statutorily required to be published each even-numbered year, although the Governor's Office of Strategic Planning and Budgeting (OSPB) collects the information annually as required by law. Due to budgetary restraints and as a cost efficiency, the OSPB will publish this document electronically only, and will make compact discs (CDs) available to the Legislative branch and those who request one.

Budget reform requires the identification of all programs and subprograms with missions authorized by law by the agencies. This program structure has a profound effect on agencies. First, agencies must develop strategic plans for each program and subprogram, as well as for the agency. Next, the structure forms the basis for the organiza-

tion 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, and be complete by FY 2006. All agencies will be required to submit the budget requests in program budgets and one set of financials will be collected for both the budget and the Master List publications.

## Program Definition

Historically, agencies have been given considerable latitude in defining the programs. Some have defined programs on the basis of organizational structure, some by funding source, and still others by function. As a result, considerable variation exists in the level of detail provided, the scope of the activities represented, and the funding and full-time equivalent (FTE) positions associated with the programs and subprograms. Additionally, some agencies have only one program, while others have identified many programs and subprograms.

Each year in the spring, agencies are given the opportunity to change the program structure. The first Master List, compiled by the 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 operational plans. On request, detailed infor-

mation from the internal agency plans can be obtained. In the 2003-2005 Master List, the structure has been consolidated to 783 programs and subprograms. As the State of Arizona moves closer to the completion of the phase-in of program budgeting pursuant to A.R.S. § 35-113, the program structure in the Master List continues to evolve and be redefined.

Each year on June 1<sup>st</sup> the OSPB publishes the planning and budget forms that contain the program structures. As a precursor to compiling the current Master List, agencies were again afforded an opportunity to propose changes to the structure of programs and subprograms in the spring of 2003 prior to the publication of the software. In light of the requirements of program budgeting, agencies were encouraged to define the program hierarchies to reflect function and core mission, rather than organizational structure or funding source.

## Legislation Update

In Laws 2002, Chapter 210, *The Master List of State Government Programs* was revised once again. One of these revisions included an allowance for the performance target expectations to be presented in conjunction with the available resources in the budget cycle and no further into the future where resources remain unknown. Few goals and measures can be achieved without adequate resources available to accomplish the plan. Therefore, the periods published in the Master List will now adhere to the budget request cycles, and the FY2003-2005 Master List will reflect targets only through the requested budgets for FY2005. Additionally, the agencies have provided short explanations for situations where the budget cuts have affected the performance expectations in programs.

Pursuant to these changes in 2002, A.R.S. § 35-122 also now requires agencies to publish strategic issues in *The Master List of State Government Programs*. Strategic issues are key issues that merit special high-priority attention or are of critical importance to the agency as a whole. They can also be described as critical success factors.

The budget reform process needs to be critically examined to enhance its value to state government decision-makers and citizen owners. As originally intended, budget reform requirements were anticipated to make government more understandable to the public, improve productivity and customer service, and strengthen accountability for results. While the process continues to be refined, consideration must be given to the amount and quality of information that is required for state-level decision making and to support program budgeting.

To this end, the OSPB will convene a program budgeting advisory council in 2004 to discuss the definitions of program budgeting and the implications of various definitions. Such discussion is necessary to ensure that the information provided via the Master List adds value to state level decision makers and citizen owners and supports the goals of implementing and finalizing the program budgeting process.

### Published Elements

The required elements of the Master List have changed little since 1993. The agency, program, and subprogram strategic plans developed by each budget unit are the source documents for the Master List. The mission, key goals and 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. A well written mission statement will justify the tax 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 customers 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.

**Strategic Issues.** Strategic issues are key issues that merit special high-priority attention or are of critical importance to the agency as a whole. They can also be described as critical success factors. Strategy takes more than just strong desire and good input and analysis, it also requires good decision-making. A strategic issue is, first of all, a key issue - an unresolved question needing a decision or waiting for some clarifying future event. Secondly, it is strategic and has major impact on the course and direction of the agency. Strategic issues relate directly to one or more of the five basic questions found in the state handbook, *Managing for Results -1998 Strategic Planning and Performance Measurement Handbook*:

#### Arizona's Planning Model:

1. Where are we now?  
(environmental scans and benchmarking with other states)
2. Where do we want to be?  
(leader's vision of the future)
3. How do we measure our progress?  
(selection of indicators)
4. How do we get there?  
(internal agency action planning)
5. How do we track our progress?  
(performance reporting)

**Goals.** Goals represent the desired end results, generally after three or more years. The agency, program, and subprogram goals should reflect strategic directions and primary activities. Also, 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 and objectives. For internal purposes, agencies will need to ensure that an adequate, but manageable, number of performance measures be collected. However, agencies should choose only the *key* measures or family of measures for each goal included 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, Non-Appropriated Funds, and Federal Funds. For the FY 2003 actual expenditures, the General and Other Appropriated Funds through the 13<sup>th</sup> month are tied to the General Accounting Office Annual Financial Report (AFR). For FY 2004 and 2005 they are tied to appropriations, or the budget request for those agencies that do not have an appropriation for FY2005. Capital funding is not included as part of the Master List financials. In addition, since the Master List includes Other Non-appropriated and Federal Funds, the funding estimates contained in the Master List may differ from those that appear in other documents.

Agencies also provide a summary of the FTE positions for all funding sources for the agency, programs, and subprograms for FY 2003, FY 2004, and FY 2005.

### Edits and Modifications

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

OSPB staff read the submittals for clarity. For any substantive changes in missions, descriptions, goals, or performance measures, the agencies were contacted. In most cases, agencies agreed to the changes.

## Organization of the Document

The Master List is organized by agency type. The total number of programs and subprograms identified by area of government are as follows:

Agency Type	# Agencies:
General Government.....	29
Health & Welfare.....	10
Inspection & Regulation.....	42
Education.....	16
Transportation.....	1
Protection & Safety.....	9
Natural Resources.....	7
<b>Total.....</b>	<b>114</b>

Agency Type	# Progs/Subs
General Government.....	159
Health & Welfare.....	186
Inspection & Regulation.....	121
Education.....	210
Transportation.....	16
Protection & Safety.....	56
Natural Resources.....	35
<b>Total.....</b>	<b>783</b>

## Single Program Agencies

Single program agency information is interchangeable with program information, and each required element for these agencies are displayed only once. For example, the mission statement is displayed as Agency/Program Mission and goals as Agency/Program Goals.

## 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 we migrate into program budgeting where the use of performance measurement will be more systematic.







General Government





**AGENCY SUMMARY  
DEPARTMENT OF ADMINISTRATION**

Betsey Bayless, Director  
Contact: Norma Carrillo, Strategic  
Management Consultant  
A.R.S. § 41-701,41-1051,41-2501

ADA  
(602) 542-7770

**Agency Mission:**

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

**Agency Description:**

ADOA is comprised of the Director's Office and seven divisions including Financial Services, General Services, Human Resources, Information Services, Management Services, Arizona Governmental University, and Capitol Police. Each division consists of programs (usually defined by major functional area). Each program within the divisions provides services. ADOA has defined 68 major services that are provided to external customers and 29 services that are provided internally to ADOA.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	1,819.1	1,961.9	1,961.9
➤ FINANCIAL SERVICES	57,586.5	132,694.4	132,694.4
➤ FACILITIES MANAGEMENT	23,272.4	28,782.6	28,782.6
➤ HUMAN RESOURCES	454,258.2	485,077.7	485,077.7
➤ INFORMATION TECHNOLOGY SERVICES	40,622.5	66,949.3	66,949.3
➤ SUPPORT SERVICES	14,729.1	22,574.1	22,574.1
➤ CAPITOL POLICE	3,273.6	3,136.8	3,136.8
➤ RISK MANAGEMENT	79,222.1	97,452.5	95,378.0
Agency Total	<u>674,783.5</u>	<u>838,629.3</u>	<u>836,554.8</u>

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	22,934.3	23,735.5	23,735.5
Other Appropriated Funds	143,308.2	182,951.5	180,877.0
Other Non-Appropriated Fund	508,339.4	544,535.2	544,535.2
Federal Funds	201.6	87,407.1	87,407.1
Agency Operating Funds Total	<u>674,783.5</u>	<u>838,629.3</u>	<u>836,554.8</u>
FTE Positions	<u>1,063.0</u>	<u>1,084.0</u>	<u>1,084.0</u>

**Strategic Issues**

**Strategic Issue Number: 1**

*Attract, Retain, and Educate Employees*

Last year Arizona State Government experienced an overall separation rate of over 15% of covered, salaried employees. Furthermore, 85% of those separations were voluntary. Of the employees voluntarily leaving state service, over 27% leave within one year, and another 27% leave within three years. This revolving door of separating employees can be attributed to low starting salaries, insufficient and sporadic pay increases, lack of development and education opportunities, a dysfunctional position

classification system, and the lack of financial support for career development and advancement of state employees. The financial impact of turnover is staggering, and according to the Harvard Business Review, frequent estimates of turnover costs can span \$10,000 to \$40,000 per person, depending upon their position, including search fees, training costs and more. Agencies, according to some experts, may experience costs of up to two-and-a-half times the former employee's salary. Indirect costs such as loss of knowledge, breakdown in relationships with customers, and inefficiencies in productivity must also be considered, as well as the impact on remaining employees' morale. In addition, employee stress caused by unmanageable workloads can create negative work environments, service interruptions or delays, and added customer frustration, leading to even greater problems retaining talented employees.

**Strategic Issue Number: 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 the 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 are also 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 enterprise (the State) will ensure maximum benefit potential for all state agencies. An example of this is ADOA's maverick undertaking with the Human Resources Information Solution (HRIS) project. In early 2002, the ADOA awarded a contract to replace the current personnel, payroll, and employee benefits system. HRIS will replace existing applications with a single, integrated system that will be shared by all state agencies, branches, and departments of state government. HRIS implementation is a partnership of the State of Arizona, its agencies and employees with IBM, implementing Lawson software. A significant component to the infrastructure and services is securing these 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 will maximize the state's 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 in such a way will provide a better ability to evaluate whether further savings could be achieved through privatizing part or all of the functions.

**Strategic Issue Number: 3**

*Cost-Efficient and Effective Public Facilities*

A 31% population increase in the State of Arizona over the past decade has significantly increased the demand for state services and the facilities to house state employees to provide those services. The only means to effectively and efficiently address the population curve is to strategically align brick and mortar presence and e-government services. The ADOA building system consists of over 2,700 structures with a replacement value of over \$2 billion. Of those, 2.5 million square feet of office buildings are located on the Capitol Mall. The inability to build facilities to keep pace with the rapid growth in demand has increased the state's reliance on leasing private sector office space in the Phoenix area to over 600,000

square feet. This has resulted in fragmented delivery of services to the public at higher costs and inefficiencies in operation. Studies have also shown that long-term cost savings in excess of \$70 million can be realized over the life of a typical 100,000 square foot office building by state ownership over leasing in the private sector. In addition, lack of funding for maintenance, according to the statutory formula, has resulted in the accumulation of over \$100 million of deferred maintenance in structures in the existing inventory. According to a University of Wisconsin report, "every dollar spent on preventative maintenance programs results in reducing the future repair and replacement costs by five dollars." There is a need to decrease the state's dependence on high cost private sector leases by continuing to build new office buildings on the Capitol Mall and to adequately maintain the physical condition of the existing building inventory. Doing so will improve the quality of service delivery to the public, improve operating efficiencies and save significant costs over the long term. Additionally, projects to relocate agencies within the Capitol Mall, and whenever possible within singular structures, enables the State to provide the general public with quick and easy access to numerous State services within a centralized location. The State has been experimenting with e-government solutions based on single business needs within agencies for the past few years. The next frontier is to build the central infrastructure of services to rapidly deploy multitudes of agencies' business processes. ADOA's role will be to facilitate the same foundation in technology services already provided in physical structures. This will entail working with the statewide architecture and establishing standards and policies that are central across the enterprise. While most business requirements do not change, the utilization of its agency resources, technology and human resources alike, will change significantly. Only through complete understanding of the current business requirements, as well as the anticipated needs of the future, will these agencies feel comfortable in establishing sound practices and procedures for e-government. ADOA will be the central facilitator for the next frontier of e-government.

**Strategic Issue Number: 4**

*Maximizing Productivity, Cost Effectiveness and Customer Satisfaction*

The mission of the Arizona Department of Administration (ADOA) compels it to provide 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 and 61,000 state employees. Services include statewide financial services, facilities management, human resources management, information services, fleet management, administrative management services, and police services for the Capitol Mall in Phoenix and the state mall complex in Tucson. 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.

**Strategic Issue Number: 5**

*Security and Safety*

The safety and security of the state's personnel, workplace and information systems are essential to maintaining the day-to-day activities of state government. Recent world and national events have led to a heightened awareness of potential vulnerabilities in these state systems. Moreover, recent growth on the Capitol Mall, which includes four new buildings and an additional 4,000 state employees, has diminished the ability of the ADOA to address critical security and safety needs. There are three critical areas of safety and security that need to be addressed: Capitol Police, Physical Security and Information Technology Infrastructure Security. Capitol Police: Capitol Police is charged with providing security and police services to state agencies in the Capitol Mall area of Phoenix and the State Office Complex in Tucson. Budget reductions in the 2002 Legislature, 6th Special Session, resulted in a 13% reduction in the Capitol Police operating budget. In addition, the current level of funding does not allow Capitol Police to adequately perform their duties and responsibilities,

which in turn jeopardizes public safety. For example, Capitol Police was appropriated 4 additional Police Officer positions for FY 2003 in the original FY 2002 and FY 2003 budget, the appropriation was later repealed. In addition, Capitol Police provided \$1,281,950 in Interagency Service Agreements (ISAs) in FY 2003, but several key contracts have been reduced or eliminated in FY 2004 due to budget issues in other agencies. Currently, six Police Officer positions are being kept vacant to cover operating expense reductions from the 6th Special Session and to cover the loss of revenues from the ISAs. This shortfall predicament is exacerbated by the aforementioned growth on the Capitol Mall, law enforcement training requirements, the required use of excess annual leave, use of sick leave and other authorized absences as well. Physical Security: The General Services Division (GSD) of ADOA is responsible for the physical security of the buildings on the Capitol Mall and at the State Office Complex in Tucson, as well as the badge function. Due to the new state office buildings and parking garages, and the corresponding increase of 4,000 employees, additional personnel are required to perform the electronic security/locksmith tasks efficiently, effectively and timely. Information Technology Infrastructure Security: Each state agency addresses its own perceived security information technology needs without centralized coordination. This creates a silo effect that results in unnecessary duplicated expenses and ineffective, short-lived security solutions. Currently, the ADOA Information Services Division's (ISD) Information Security Services (ISS) does not have authority, and is not funded, for the support of statewide security responsibility. Centralizing the information security authority and strategy, while supporting the distribution of agency security administration, is an industry best practice. A by-product of this will be an increase in customer satisfaction and a consistent application of security policy.

**ADA.1 PROGRAM SUMMARY  
ADMINISTRATION**

Contact: Betsey Bayless, Director

Phone: (602) 542-1500

A.R.S. § 41-701, 41-1051, 41-2501

**Program Mission:**

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

**Program Description:**

The Administration Program is composed of the Director's Office and several functions within the Management Services Division. The Director's Office 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 administrative functions of the Management Services Division provide accounting services (accounts receivable, accounts payable, payroll, preparation of financial statements and other financial management services) for a limited number of ADOA funds; provides purchasing services and contract administration; prepares and monitors the annual appropriated budget and other selected funds; tracks department and statewide FTEs; and monitors utility expenditures. Additionally, the Director's Office administers the State's Performance-based Incentive Program; coordinates the department's efforts towards 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 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).

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,579.7	1,741.9	1,741.9
Other Appropriated Funds	191.2	215.0	215.0
Other Non-Appropriated Fund	48.2	5.0	5.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,819.1</b>	<b>1,961.9</b>	<b>1,961.9</b>
FTE Positions	35.0	35.5	35.5

**Program Goals and Performance Measures:**

◆ Goal 1 - To deliver customer service second to none.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with leading interagency legislative relations.	5.92	5.55	6.0	6.2
● Customer satisfaction with the administration of the Performance-based Incentive Program.	5.71	6.07	6.06	6.10
● Customer satisfaction with facilitating the flow of information from the agency, the public, community organizations, and other governmental entities (internal).	5.94	5.58	6.0	6.2
● Customer satisfaction with internal communication.	5.75	5.94	6.0	6.2
● Percentage of ADOA's services with a minimum customer satisfaction rating of 6.0, based on annual survey.	47.6	50	60	70

◆ Goal 2 - To attract and retain a high-performance team of employees.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of ADOA employees voluntarily separating in first year.	31.0	22.4	20	18

◆ Goal 3 - To aggressively pursue innovative solutions and/or opportunities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of services with comparative data.	46	74	90	100
● Percentage of administration in relation to total cost.	1.1	1.1	1.1	1.1

ADA.2 PROGRAM SUMMARY  
**FINANCIAL SERVICES**

Contact: Lee Baron, Assistant Director  
Phone: (602) 542-0501  
A.R.S. § 35-101,41-2501

**Program Mission:**

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

**Program Description:**

The Financial Services program administers the statewide payroll system, processes vendor warrants, develops and maintains the state financial system (AFIS), establishes and administers accounting policies and procedures, prepares the Annual Financial Report for the State of Arizona, establishes and administers contracts for commodities and professional services, establishes procurement rules, procedures and practices, and provides technical assistance and guidance relating to procurement statutes, rules and procedures.

**This Program Contains the following Subprograms:**

- ▶ General Accounting
- ▶ State Procurement

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	12,571.2	12,549.1	12,549.1
Other Appropriated Funds	62.5	70.2	70.2
Other Non-Appropriated Fund	44,952.8	32,841.0	32,841.0
Federal Funds	0.0	87,234.1	87,234.1
<b>Program Total</b>	<b>57,586.5</b>	<b>132,694.4</b>	<b>132,694.4</b>
FTE Positions	100.7	106.0	106.0

ADA.2.1 SUBPROGRAM SUMMARY  
**GENERAL ACCOUNTING**

Contact: Clark Partridge, State Comptroller  
Phone: (602) 542-2212  
A.R.S. § 35-101 et. seq.

**Subprogram 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.

**Subprogram 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 Management System (HRMS) to provide our customers with electronic and hard copy detail records as well as management financial information which can meet their needs and requirements; providing adequate 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 to meet new needs and requirements of the State; providing statewide accounting policies and procedures; distributing and reconciling all state warrants; providing a variety of data input, bookkeeping, reporting, and consulting services to state agencies in accordance with established service level agreements; preparing cash basis and accrual basis financial reports which are designed to provide an accurate recording of the financial condition of the State; performing internal audits, reviews, and investigations; providing various types of technical assistance on government accounting and financial matters; and training on state travel policies and procedures for both the travelers and administrative staff. (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 Amounts:**

(§ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	11,000.8	11,017.6	11,017.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	44,797.5	32,616.6	32,616.6
Federal Funds	0.0	87,234.1	87,234.1
<b>Subprogram Total</b>	<b>55,798.3</b>	<b>130,868.3</b>	<b>130,868.3</b>
FTE Positions	64.2	69.5	69.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the General Accounting subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with accounting policies and procedures.	6.16	6.25	6.3	6.3
● Percentage of warrants available for distribution by 11:00 am following the day of processing on Arizona Financial Information System.	99.6	99.9	99.9	99.9
● Percentage of standards met in accordance with Central Services Bureau service agreements.	99.5	99	99	99

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of security requests for financial applications processed within two business days.	100	100	99	99
● Percentage of appropriations loaded in AFIS within 30 days of effective legislation date and complete appropriation structure received from agency.	100	100	99	99
● Customer satisfaction with Arizona Financial Information System (AFIS) functionality.	5.82	5.83	6.2	6.2
● Customer satisfaction with data input services (Central Services Bureau).	6.79	5.84	6.5	6.5
● Customer satisfaction rating with administration of payroll process.	6.58	6.28	6.5	6.5
◆ Goal 2 - To aggressively pursue innovative solutions and/or opportunities in the General Accounting subprogram.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of payroll payments requiring rework (statewide).	.254	0.147	0.2	0.2
● Percentage of warrants distributed to correct agency.	99.8	99.9	99.9	99.9

ADA.2.2                      **SUBPROGRAM SUMMARY**  
    **STATE PROCUREMENT**

Contact: John Adler, Administrator  
 Phone: (602) 542-5308  
 A.R.S. § 41-2501 et. seq.

**Subprogram Mission:**

To promote one procurement community, consistently seeking best value for customers, through innovation.

**Subprogram Description:**

This program conducts complex procurements, including statewide contracts, for all state agencies; establishes and administers procurement policies and procedures for all agencies; manages the cooperative purchasing program for political subdivisions; establishes standards and delegates procurement authority to agencies; broadly disseminates procurement information to customers; and administers bid protests and claims appeals on behalf of the Director. (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 Amounts:**

(§ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,570.4	1,531.5	1,531.5
Other Appropriated Funds	62.5	70.2	70.2
Other Non Appropriated Fund	155.3	224.4	224.4
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,788.2</b>	<b>1,826.1</b>	<b>1,826.1</b>
FTE Positions	36.5	36.5	36.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the State Procurement subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with establishing contracts.	5.65	5.71	6.0	6.0
● Number of agencies receiving increased delegated authority.	N/A	2	5	5
● Customer satisfaction rating with administering contracts.	5.32	5.48	6.0	6.0

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average cycle time for the Request for Proposal (RFP) process (days).	99	65.7	60	55
● Average cycle time for the Invitation for Bid (IFB) process (days).	59	44.9	40	35

ADA.3.1 SUBPROGRAM SUMMARY  
**BUILDING, PLANNING, AND TENANT SERVICES**  
 Contact: Bob Teel, Assistant Director  
 Phone: (602) 542-1920  
 A.R.S. § 41-701

**Subprogram 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.*

**Subprogram Description:**

This subprogram provides facilities management services for state owned buildings in the Department of Administration Building System including capital planning, major maintenance construction, inspections, land acquisition, space allocations, tenant improvements and statutory and building code compliance. Additionally, this subprogram solicits input from agencies within the Department of Administration Building System and prepares an annual Capital Improvement Plan and Building Renewal Plan for recommending state spending on land acquisition, capital development and major maintenance. Both plans contain a priority ranked list of recommendations. In addition, the facilities maintenance and operation program plans, develops and maintains appropriate allocation of office space for the efficient and effective use of state owned and lease purchased buildings. Reviews, approves and maintains all agency office leases in the Department of Administration Building System. Administers agency relocations for orderly transitions to maximize efficiency. Directs and regulates parking for Department of Administration Office Buildings.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,299.0	6,878.6	6,878.6
Other Appropriated Funds	9,695.0	11,224.2	11,224.2
Other Non Appropriated Fund	6,471.1	10,029.9	10,029.9
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>22,465.1</b>	<b>28,132.7</b>	<b>28,132.7</b>
FTE Positions	166.2	166.2	166.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Building, Planning, and Tenant Services subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction rating with building maintenance.	5.19	5.64	6.5	6.7
● Customer satisfaction with agency relocation process.	6.38	5.0	6.5	6.7
● Customer satisfaction with maintaining heating and cooling.	5.35	5.63	6.5	6.7
● Customer satisfaction rating with tenant improvement process.	6.07	5.28	6.5	6.7
● Customer satisfaction with custodial services.	5.11	5.29	6.5	6.7

ADA.3 PROGRAM SUMMARY  
**FACILITIES MANAGEMENT**  
 Contact: Warren Whitney, Assistant Director  
 Phone: (602) 542-1427  
 A.R.S. § 41-701, 41-791, 31-253

**Program Mission:**

*To provide effective and efficient facility planning, design, development, construction, operations and maintenance to enable government agencies, state employees and the public to achieve their goals.*

**Program Description:**

The General Services Division (GSD) manages and operates 2,600 state-owned buildings and properties providing on-going tenant services including custodial, maintenance, heating and air conditioning and landscaping. In addition, the division provides facilities programs including prison construction, building construction, while providing a focal point for the acquisition, leasing, planning, and construction of facilities in the Department of Administration Building System.

**This Program Contains the following Subprograms:**

- ▶ Building, Planning, and Tenant Services
- ▶ Construction Services

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,299.0	6,878.6	6,878.6
Other Appropriated Funds	10,247.9	11,874.1	11,874.1
Other Non-Appropriated Fund	6,725.5	10,029.9	10,029.9
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>23,272.4</b>	<b>28,782.6</b>	<b>28,782.6</b>
FTE Positions	175.5	175.5	175.5

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with review of office leases.	7.07	5.86	6.5	6.7
● Customer satisfaction with landscaping/grounds maintenance.	6.26	5.84	6.5	6.7
◆ Goal 2 - To aggressively pursue innovative solutions and/or opportunities in the Building, Planning, and Tenant Services subprogram.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage reduction in ratio of planned to unplanned work orders.	32.5		25	
● Percentage of tenant improvement projects completed on schedule.	90	100	95	97
● Percentage of lease reviews completed by the date requested.	100	71	95	97
● Percentage of HVAC and maintenance emergency work orders responded to within 24 hours.	98	98	98	99
● Ratio of preventative maintenance work orders to total maintenance requests.	1:3	1:3	1:2.78	1:2.78

ADA.3.2 SUBPROGRAM SUMMARY  
**CONSTRUCTION SERVICES**  
 Contact: Bruce Ringwald, General Manager  
 Phone: (602) 542-6051  
 A.R.S. § 41-791, 31-253

**Subprogram Mission:**

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

**Subprogram Description:**

The Construction Services subprogram contracts and oversees design and construction of large Capitol Improvement and Building Renewal Projects. This group also assists Building and Planning Services in the preparation of estimates and budgets for Capitol 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. Constructs facilities for the Department of Corrections using inmate labor. This group functions as general contractor purchasing materials, supervising inmate labor and hiring subcontractors as required to construct facilities. (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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	552.9	649.9	649.9
Other Non Appropriated Fund	254.4	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	807.3	649.9	649.9
FTE Positions	9.3	9.3	9.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Construction Services subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with general construction projects.	6.43	6.98	6.76	6.76

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of General Construction projects completed on schedule.	100	96.7	97.0	97.0
● Percentage of General Construction projects completed within budget.	100	96.5	97.0	97.0

ADA.4 PROGRAM SUMMARY  
**HUMAN RESOURCES**  
 Contact: Kathy Peckardt, Assistant Director  
 Phone: (602) 542-8378  
 A.R.S. § 41-702

**Program Mission:**

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

**Program Description:**

Establishes and administers state personnel rules and policies, provides a wellness program, administers the state's health, life and dental insurance program, and provides personnel services in the areas of employment, training and classification.

**This Program Contains the following Subprograms:**

- ▶ **Benefits and Insurance**
- ▶ **Human Resource Operations**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	16,971.9	20,279.1	20,279.1
Other Non-Appropriated Fund	437,286.3	464,798.6	464,798.6
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>454,258.2</b>	<b>485,077.7</b>	<b>485,077.7</b>
<b>FTE Positions</b>	<b>171.5</b>	<b>171.5</b>	<b>171.5</b>

ADA.4.1                      **SUBPROGRAM SUMMARY**  
    **BENEFITS AND INSURANCE**

Contact: Susan Strickler, Benefits Manager  
 Phone: (602) 542-4788  
 A.R.S. § 41-702, 38-651 to 38-654

**Subprogram Mission:**

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

**Subprogram Description:**

The Employee Group Benefits Program administers an employer-maintained plan, which provides a variety of group insurance plans for employees. Plans currently offered include: medical, dental, life, accidental death and dismemberment, supplemental life, dependent life and disability. The program also manages the contract for an on-site employee child day care center; provides an employee assistance component, an employee wellness component, an occupational health component, and a reduced rate child day care referral component. (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).

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3,848.1	5,238.4	5,238.4
Other Non Appropriated Fund	436,843.3	464,008.6	464,008.6
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>440,691.4</b>	<b>469,247.0</b>	<b>469,247.0</b>
<b>FTE Positions</b>	<b>22.5</b>	<b>22.5</b>	<b>22.5</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Benefits and Insurance subprogram.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Customer satisfaction rating with benefit plans.	4.15	5.47	6.1	6.1
● Percentage of customers satisfied with the open enrollment process.	79.1	89	93	95
● Percentage of customers satisfied with providing information and education.	71.9	90	93	95
● Number of State employees attending an Arizona Healthways event.	42,205	42,229	42,651	43,078
● Customer satisfaction with the open enrollment process (monthly).	6.30	7.12	7.40	7.60
◆ Goal 2 - To aggressively pursue innovative solutions and/or opportunities in the Benefits and Insurance subprogram.				

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of open enrollment completed via Web or IVR.	77.3	100	100	100
● Percentage of New Hire enrollment completed via Web or IVR.	100	100	100	100

ADA.4.2                      **SUBPROGRAM SUMMARY**  
    **HUMAN RESOURCE OPERATIONS**

Contact: Kathy Peckardt, Assistant Director  
 Phone: (602) 542-8378  
 A.R.S. § 41-702

**Subprogram Mission:**

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

**Subprogram Description:**

The Human Resources Program directs and guides the management and staff of the Human Resources Division; develops personnel rules to ensure consistency in Human Resources management; develops recruitment strategies to attract qualified candidates; evaluates applicants for qualifications and refers qualified candidates to agencies for consideration. This program supports and presents mandated training courses and a variety of management development courses to employees; establishes on-site Agency Human Resources Management System (AHRMS) offices to provide professional human resource management services as well as to agency management. In addition, the Program serves as a liaison between the agency and the Human Resources Division; processes the final step (Step IV) of the State Service System grievance procedure; provides services that impact employee job specifications and pay; manages a classification system/process to ensure that the job structure is based on the content and relative contributions of work; and provides market salary data to use in the comparative process in establishing pay differentials among jobs. (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).

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Average turnaround time for processing 4th level grievances (days).	13.1	13.6	13	12
● Average turnaround time (days) for processing all classification actions (covered & uncovered positions).	9.44	6.65	10	10

ADA.5 PROGRAM SUMMARY  
**INFORMATION TECHNOLOGY SERVICES**

Contact: Terry Linkous, Assistant Director  
Phone: (602) 542-2381  
A.R.S. § 41-703, 41,711, 41-713, 41-798, 41-801

**Program Mission:**

*To provide business-enhancing information services to ADOA, state agencies, and Arizona citizens.*

**Program Description:**

The Information Services program is responsible for providing information technology and networking services to state agencies. These types of services are processing, application maintenance, system and technical support, voice, data and/or voice networking, all relevant security assessments, evaluation, provisioning, and consulting throughout the program's six working sections. Services are charged back to the customer through a monthly billing process. (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).

**This Program Contains the following Subprograms:**

- ▶ Arizona Telecommunications Services
- ▶ Data Center
- ▶ Enterprise Application Services
- ▶ Information Technology Operations

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	27,742.9	36,372.4	36,372.4
Other Non-Appropriated Fund	12,879.6	30,576.9	30,576.9
Federal Funds	0.0	0.0	0.0
Program Total	40,622.5	66,949.3	66,949.3
FTE Positions	204.3	219.5	219.5

ADA.5.1 SUBPROGRAM SUMMARY  
**ARIZONA TELECOMMUNICATIONS SERVICES**

Contact: Sandy Clancy, ATS Manager  
Phone: (602) 542-5712  
A.R.S. § 41-702, 41-713

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	13,123.8	15,040.7	15,040.7
Other Non Appropriated Fund	443.0	790.0	790.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	13,566.8	15,830.7	15,830.7
FTE Positions	149.0	149.0	149.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Human Resource Operations subprogram.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Customer satisfaction with providing personnel rules and guidance.	6.43	6.13	6.5	6.75
● Percent difference in average salaries between State employees and the labor market.	16.4	16.3	16.0	16.0
● Customer satisfaction with providing statewide employee training.	5.73	5.37	6.0	6.0
● Percentage of placements through Career Center.	N/A	61	65	67

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

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Average turnaround time for issuance of hiring lists from Resumix to inquiring agency (days).	4.27	3.48	3.25	3.0
● Number of rules developed and promulgated.	6	3	2	2



**Subprogram Mission:**

To provide full voice and data communications services for all Arizona state government agencies.

**Subprogram Description:**

The Arizona Telecommunications System (ATS) section is responsible for the overall management and support of common statewide voice and data communications services. The section operates out of two core sites located on the Phoenix Capitol Mall and Tucson State Office campuses. ATS is the primary source for Wide Area Networking services for all Executive branch agencies. ATS operates an Operations Center (OC) to provide network monitoring and management capabilities, a customer help function and the acquisition of network data for appropriate service level measurements. ATS provides a 24-hours a day, 7 days a week monitoring service. Four business functions characterize ATS: Wide Area Network, Voice Systems, Service Center, and Call Center System.

Wide Area Network (WAN) – On-and-off campus data communication services are provided through a centrally managed WAN operation. These include the fiber optic networks on the Phoenix and Tucson campuses, and leased lines to several Arizona cities and towns. Various line speeds and communications technologies are applied depending on the business need of a given agency.

Voice Systems – The Voice Systems unit maintains and operates the state’s telephone systems located on the Capitol Mall and the Tucson Office Campuses. This group is also responsible for maintaining the physical facilities that are used to house all core state telephone systems and equipment.

Service Center – The Service Center provides installation and maintenance services for telephone station equipment. A central state switchboard information center is available to assist state employees, the Legislature, and the public. This unit consults, plans, and trains agencies in need of new or upgraded telephone systems, or requiring assistance with physical relocations. An annual telephone directory is also compiled and provided to all state employees.

Call Center System (CCS) – ATS Call Center Service is a single source supplier of centralized Automatic Call Distribution functionality for customer care operations in state government. Call Center Services is an enhanced offering with Computer Telephony Integration solutions on Predictive Dialer Systems (PDS for automatic dialing); Interactive Voice Response (IVR, allows callers to interact with a database via the telephone); Automated fax service; Remote agent and Workforce management (forecast and scheduling tool).

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	9,462.7	12,313.0	12,313.0
Other Non Appropriated Fund	12,878.7	30,576.9	30,576.9
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>22,341.4</b>	<b>42,889.9</b>	<b>42,889.9</b>
FTE Positions	57.5	62.0	62.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Arizona Telecommunications Services subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with the Call Center System.	4.0	5.33	6.5	6.5
● Customer satisfaction with connectivity to the Wide Area Network (Magnet).	5.5	5.69	6.5	6.5
● Customer satisfaction rating with voice telecommunications services.	5.63	5.81	6.5	6.5
● Customer satisfaction with state switchboard and directory services.	5.83	6.0	6.5	6.5
● Percentage of customer service orders completed within 95% of allocated time.	N/A	100	99.99	99.99

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage availability of Call Center system fileserver (ACD).	99.99	99.99	99.95	99.95
● Percentage of time WAN system facilities are accessible and available.	99.97	99.99	99.99	99.99
● Percentage of time primary components of voice system are available and accessible.	100	100	99.9	99.9

ADA.5.2                      SUBPROGRAM SUMMARY

**DATA CENTER**

Contact: Vince Cefalu, Information Processing Center Manager

Phone:     (602) 542-5877

A.R.S. § 41-702, 41-713

**Subprogram Mission:**

To provide efficient and effective computing services, and a base of knowledge and experience which clients may draw upon to meet their information technology needs.

**Subprogram Description:**

The IPC operates and maintains the computer processing platforms essential to the operation of the Arizona Department of Administration, Arizona Department of Corrections, and the Arizona Health Care Cost Containment System, and several other agencies. The staff of the center provides 24-hours a day, 7 days a week technical and operations support to the membership of user agencies in addition to a substantial number of regular machine monitoring and tuning duties. The facility housing the information processing center additionally houses the technical support staff of several Information Services subprograms, and is a major communications and monitoring facility for services being provided on a statewide basis. These services include both voice and data operations.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	12,218.9	14,209.4	14,209.4
Other Non Appropriated Fund	0.9	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>12,219.8</b>	<b>14,209.4</b>	<b>14,209.4</b>
FTE Positions	72.5	72.5	72.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Data Center subprogram.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Customer satisfaction rating with mainframe processing.	5.89	5.44	6.5	6.5
● Percentage of calls to the Help Desk resolved during first contact with customer's problem.	99.32	84.73	98.0	98.0

- ◆ Goal 2 - To aggressively pursue innovative solutions and/or opportunities in the Data Center subprogram.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage systems are available.	99.8	99.8	99.8	99.8
● Percentage of mainframe batch availability.	99.87	99.24	99.8	99.8
● Percentage of mainframe scheduled batch jobs completed on time.	99.48	99.2	99.5	99.6

**Subprogram Mission:**

To provide effective and efficient application support services to interdepartmental customers.

**Subprogram Description:**

This group's primary focus is to provide support for ADOA services. They provide knowledge and expertise to evaluate, develop, and implement the proper technologies and applications that address our customers' business problems. The section's current work units are: The Arizona Financial Information Systems (AFIS) Programming Support group, the Human Resources Management System (HRMS) Programming Support group, and the Data Resource Management group. Their activities typically involve system development and related support strategies, file and storage assessment, application design consultation, and significant issues regarding application development, access and performance, communications and deployment.

The Local Area Network (LAN) unit provides LAN services and support to divisions of the Department of Administration including file and print services, Email services, file backup and recovery, desktop (workstation) support, internet and mainframe connectivity, workstation set-up and installation, and trouble shooting.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	477.8	1,678.7	1,678.7
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>477.8</b>	<b>1,678.7</b>	<b>1,678.7</b>
FTE Positions	9.0	23.0	23.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Enterprise Application Services subprogram

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of time database systems are on-line and available.	99	99	98	99
● Customer satisfaction with the Local Area Network.	6.33	6.38	6.5	6.5
● Percentage of RFSS completed within allocated time.	N/A	91	85	85
● Percentage of enterprise application work completed within customer's required timeframe.	100	92	95	95

- ◆ Goal 2 - To aggressively pursue innovative solutions and/or opportunities in the Enterprise Application Services subprogram

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage accessibility and availability of the LAN.	99.75	99.95	99.0	99.0
● Percentage of time programs (HRMS, HRIS, AFIS, Web) are available.	N/A	99.99	99.0	99.0

ADA.5.3 SUBPROGRAM SUMMARY

**ENTERPRISE APPLICATION SERVICES**

Contact: Terry Linkous, Assistant Director

Phone: (602) 542-5717

A.R.S. § 41-702, 41-713

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage availability of GroupWise during prime time support.	99.66	98.67	99.0	99.0
● Percentage of agreed upon milestones of HRIS replacement project completed on time.	N/A	50	100	100
● Percentage of desktop software problems resolved within 15 minutes (LAN).	96.21	94.27	99.0	99.0
● Percentage of RFSs completed correctly the first time.	99	99	99	99

**Subprogram Mission:**

*To ensure necessary administrative functions are available to support the Information Processing Center, Arizona Telecommunications System, and the Enterprise Application Services Group.*

**Subprogram Description:**

The Information Technology Services program is additionally responsible for providing comprehensive support and management services for its customers. These are administered via a customer support and management services subprogram. Their services are described as:

Providing guidance and a liaison to all sections in the Arizona Department of Administration and the Information Services Division via the CARE group. Facilitates service delivery and develop relationships between the provider and recipient, seeking to effectively intervene if disputes arise. If problems ensue between ISD and its customer(s) the section is to become involved. It will document and formally note its involvement in activities, projects, and relationships by producing monthly measurements, surveying customers regarding their perceptions and attitudes, and drafting reports or analyses regarding the disposition of the business problem or issue.

Security, resources, and techniques that protect customers in their work place, their information and computer applications and equipment; such as employee ID card access, keys, closed circuit television, computer and network system identifications. Security Services provides access to AFIS and HRMS statewide business applications. This also includes access to ADOC applications and AHCCCS applications. They also perform computer and telephone security incident investigations and provide security awareness training. This work unit also assists ISD customers and their business units to prepare business continuity and emergency action plans.

Finance and Planning Services is responsible for the administration of all division accounting and budgeting activities. It monitors the accuracy and timeliness of all financial reporting to departmental and divisional management. The work unit processes transactions for services such as facilities maintenance, asset tracking, strategic and 3-year Information Technology planning, and personnel and payroll support.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	5,583.5	8,171.3	8,171.3
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	5,583.5	8,171.3	8,171.3
FTE Positions	65.3	62.0	62.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Information Technology Operations subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction rating with information and data security services.	4.5	4.57	6.5	6.5
● Customer satisfaction with billing & collection services.	4.85	5.41	6.5	6.5

ADA.5.4 SUBPROGRAM SUMMARY  
**INFORMATION TECHNOLOGY OPERATIONS**

Contact: Terry Linkous, Assistant Director  
 Phone: (602) 542-5717  
 A.R.S. § 41-702, 41-713

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with Finance and Planning (monthly).	6.60	7.40	7.3	7.3
◆ Goal 2 - To aggressively pursue innovative solutions and/or opportunities in the Information Technology Operations subprogram.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of automation bills issued by the 3rd Friday of the month.	N/A	100	92	92
● Percentage of telecommunication bills issued by the 4th Friday of the month.	N/A	100	92	92

ADA.6.1 SUBPROGRAM SUMMARY  
**TRAVEL REDUCTION**

Contact: Kayelen Rolfe, Coordinator  
Phone: (602) 542-3638  
A.R.S. § 41-101.03, 41-701

**Subprogram Mission:**

*To reduce state employees' commute travel in single occupancy vehicles within Maricopa County in order to improve air quality.*

**Subprogram Description:**

Through promotion, education and incentives, the Travel Reduction Program encourages non-university state employees in Maricopa County to carpool, vanpool, bus, bicycle or walk to work. Other forms of travel reduction are also pursued by this program such as allowing selected employees to work at a location other than their traditional workplace one or two days per week. An annual travel reduction survey is administered by this program, distributed to 23,000 employees, and submitted to Maricopa County. (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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	441.4	475.4	475.4
Other Non Appropriated Fund	536.6	600.7	600.7
Federal Funds	0.0	0.0	0.0
Subprogram Total	978.0	1,076.1	1,076.1
FTE Positions	7.0	7.0	7.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Travel Reduction subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with all Travel Reduction services.	6.10	5.95	6.0	6.0
● Customer satisfaction rating for capitol rideshare customers (monthly).	7.1	7.2	7.0	7.0
● Customer satisfaction rating for travel reduction coordinators (bi-annual).	7.2	7.4	7.0	7.0

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of commuter club members (car-poolers, bus riders, walkers, bicyclists).	4,391	5,116	4,660	4,800
● Percentage of ADOA employee commute trips that are drive-alone.	64.5	67.5	65.5	63.5
● Number of matchlists processed.	504	1,090	1,100	1,150

ADA.6 PROGRAM SUMMARY  
**SUPPORT SERVICES**

Contact: Bill Hernandez, Assistant Director  
Phone: (602) 364-2872  
A.R.S. § 41-101.03, 41-105, 35-193, 41-2606, 41-803

**Program Mission:**

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

**Program Description:**

The support services program is responsible for the statewide operations of four internal services funds which provide seven centralized business functions, all mandated travel reduction programs, the Arizona Office for Americans with Disabilities, the Governor's Regulatory Review Council, and the state motor vehicle fleet alternative fuel coordinator function.

**This Program Contains the following Subprograms:**

- ▶ Travel Reduction
- ▶ Governor's Regulatory Review Council
- ▶ Arizona Office for American's with Disabilities
- ▶ Business Services
- ▶ State Board's Office
- ▶ Surplus Property
- ▶ Motor Pool

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	554.1	573.8	573.8
Other Appropriated Funds	9,956.8	18,544.5	18,544.5
Other Non-Appropriated Fund	4,016.6	3,282.8	3,282.8
Federal Funds	201.6	173.0	173.0
Program Total	14,729.1	22,574.1	22,574.1
FTE Positions	97.5	97.5	97.5

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage increase in bus riders.	5.9	2.1	2	2
● Agency sites that achieved their travel reduction goals.	21	19	22	23
● Percentage of all state employee commute trips that are drive alone.	71.5	73.2	71.7	70.3

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of courtesy reviews completed in two months or less.	91	89	90	90
● Percentage of five-year review reports acted on by Council consistent with staff recommendations.	100	100	100	100
● Percentage of rules approved on first hearing.	95	99	99	99
● Percentage of rules acted on by Council consistent with staff recommendations.	97	99	97	97

ADA.6.2 SUBPROGRAM SUMMARY  
**GOVERNOR'S REGULATORY REVIEW COUNCIL**  
 Contact: Jeanne Hann, GRRC Administrator  
 Phone: (602) 542-2006  
 A.R.S. § 41-1051(A)

**Subprogram Mission:**

To assist the Governor's Regulatory Review Council and agencies to fulfill their rulemaking responsibilities under the Administrative Procedure Act.

**Subprogram Description:**

Governor's Regulatory Review Council staff provides guidance regarding the rulemaking responsibilities of the Council and various state agencies. (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).

ADA.6.3 SUBPROGRAM SUMMARY  
**ARIZONA OFFICE FOR AMERICAN'S WITH DISABILITIES**  
 Contact: Denise Thompson, Executive Director  
 Phone: (602) 542-6276  
 Executive Order 93-12

**Subprogram Mission:**

To provide "knock your socks off" services and programs to assist government agencies, state employees, and the public to comply with federal and state disabilities laws.

**Subprogram Description:**

The Arizona Office for Americans with Disabilities (AOAD) provides technical assistance, research and training relevant to the Americans with Disabilities Act, Section 504 of the Rehabilitation Act of 1973, as amended and re-authorized, and other disability-related legislation. It accomplishes this by researching federal, state and local guidelines, policies, laws, rules, and by providing the updates. Information and referral services are provided to individuals, businesses and agencies to resolve questions and problems, both through the office and the toll free 800 statewide information line. AOAD also provides agency specific technical assistance and training. In addition, AOAD reviews policies and procedures, recommending changes to bring them into compliance with current disability laws. (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).

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	201.6	173.0	173.0
Subprogram Total	201.6	173.0	173.0
FTE Positions	4.5	4.5	4.5

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To deliver customer service that is second to none in the Arizona Office for Americans with Disabilities subprogram.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	436.4	461.1	461.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	436.4	461.1	461.1
FTE Positions	7.0	7.0	7.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To deliver customer service that is second to none in the Governor's Regulatory Review Council subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction of staff services by Agency representatives (monthly survey).	7.58	7.57	7.2	7.2
● Customer satisfaction of staff services by Council members (monthly).	7.70	7.66	7.2	7.2
● Customer satisfaction with all Governor's Regulatory Review Council (GRRC) services.	6.18	6.44	6.5	6.5

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with all services of the Arizona Office for Americans with Disabilities.	6.13	6.62	6.5	6.5

◆ Goal 2 - To aggressively pursue innovative solutions and/or opportunities in the Arizona Office for Americans with Disabilities subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of state agency sections receiving training.	15	18	20	22
● Number of organizations receiving training.	10	12	15	17
● Percentage of information and referral calls answered on same day basis.	99.17	95	97	98
● Number of site visits of cabinet agencies conducted.	25	25	35	35
● Percentage of technical assistance email requests answered on same day basis.	100	100	100	100
● Percentage of informal complaints coordinated within five days.	100	100	100	100

ADA.6.4                      SUBPROGRAM SUMMARY  
**BUSINESS SERVICES**

Contact: Bill Hernandez, Administrator  
 Phone: (602) 364-2872  
 A.R.S. § 35-193

**Subprogram Mission:**

*To provide "knock your socks off" services to state agencies in the areas of printing, convenience copiers, common office supplies, mail handling (interoffice and U.S. mail), and office machine repair services.*

**Subprogram Description:**

The Business Services Program provides quality service to the Arizona Department of Administration (ADOA) and other state agencies in the following areas: printing, including digital copy service, design/typesetting, color printing, professional bindery options and delivery service; office supplies, including 632 inventory items, special orders, and delivery service; mail service, including interagency route service, U.S. Mail processing, and parcel mail service; repair services for light office machines, including laser printers, fax machines, calculators, typewriters, and dictating equipment. (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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	117.7	112.7	112.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	3,205.9	2,582.1	2,582.1
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>3,323.6</b>	<b>2,694.8</b>	<b>2,694.8</b>
FTE Positions	33.0	33.0	33.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To deliver customer service that is second to none in the Business Services subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with fixed assets accounting (internal).	6.18	5.79	6.3	6.5
● Customer satisfaction with purchasing goods and services (internal).	6.32	6.20	6.5	6.5
● Customer satisfaction with payroll (internal).	6.95	7.19	6.5	6.5
● Customer satisfaction with financial and management reporting (internal).	6.75	6.11	6.5	6.5
● Customer satisfaction with the payment of vendors (internal).	6.57	6.26	6.3	6.3
● Percentage of print orders delivered on schedule and to specification.	91.19	91.67	92	92.5
● Customer satisfaction with printing & copying services.	6.54	6.62	6.5	6.5
● Customer satisfaction with collecting & distributing mail.	6.51	6.38	6.5	6.5
● Customer satisfaction with maintaining & repairing office machines.	6.52	6.76	6.5	6.5

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of discounts taken (payment of vendors).	99.5	73.63	75	80
● Percentage of printing & copying pricing below private sector price.	38.59	22.2	21	22
● Average time for interagency mail to be routed through the ADOA system (days).	1.37	1.4	1.5	1.5
● Request for Quotation (RFQ) processing time.	8.75	7.1	8.7	8.6
● Fax On Demand (FOD) processing time.	17.9	16.5	17.8	17.7
● Percentage of repair services pricing below private sector.	29.43	14.28	20	20
● Invitation for Bid (IFB) processing time.	30.1	27.3	35	34
● Construction Invitation for Bid (CIFB) processing time.	41.2	30.5	46	45
● Request for Proposal (RFP) processing time.	53.3	56.6	75	75
● Percentage of payroll accuracy (internal).	99.7	99.81	99.5	99.5

ADA.6.5 SUBPROGRAM SUMMARY  
**STATE BOARD'S OFFICE**

Contact: Crickett Payne, Administrator  
Phone: (602) 542-8168  
A.R.S. § 35-193

**Subprogram Mission:**

*To provide "knock your socks off" service to small licensing agencies in general accounting and centralized office support.*

**Subprogram Description:**

The program provides support services to small licensing agencies in the areas of reception services, budgeting, personnel, accounting, payroll and agency liaison among a variety of state programs. (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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	272.6	275.2	275.2
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	272.6	275.2	275.2
FTE Positions	4.0	4.0	4.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To deliver customer service that is second to none in the State Boards Office subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Overall customer satisfaction.	7.25	6.91	7.0	7.0

◆ Goal 2 - To aggressively pursue innovative solutions and/or opportunities in the State Boards Office subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of days to process invoices.	.93	2.03	5	4
● Percentage error rate of claims.	1.54	1.33	2	2

ADA.6.6 SUBPROGRAM SUMMARY  
**SURPLUS PROPERTY**

Contact: Steve Perica, Administrator  
Phone: (602) 542-0796  
A.R.S. § 41-2606(B)

**Subprogram Mission:**

*To utilize surplus state and federal personal property through an effective and efficient distribution system in order to deliver "knock your socks off" 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.*

**Subprogram Description:**

The functions performed by the Surplus Property Program include: determining the fair market value of all excess and surplus property; determining the disposition of disposal by approving trade-in, direct transfer or distribution, or cannibalization, condemn by scrap, disposal through the use of competitive sealed bids, auctions, established markets, and/or posted price sales; marketing programs and items available to potential customers, advertising items available in published flyers, monthly newsletters, and for public sale utilizing auction bulletins and local newspapers; 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; 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,166.4	4,417.8	4,417.8
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	2,166.4	4,417.8	4,417.8
FTE Positions	23.0	23.0	23.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Surplus Property subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction of onsite customers (monthly).	7.29	7.81	7.5	7.5
● Customer satisfaction of in-field customers (monthly).	7.81	7.67	7.5	7.5
● Customer satisfaction with Surplus Property.	6.52	6.19	6.5	6.5

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of property pick-ups on time.	99.2	100	99	99
● Tons of paper recycled.	1,017	1,093	1,000	1,000
● Receiving backlog expressed as a percentage of items received within two days.	84.5	82	85	90

ADA.6.7 SUBPROGRAM SUMMARY  
**MOTOR POOL**

Contact: Randy Frost, Administrator  
Phone: (602) 542-0601  
A.R.S. § 41-803

**Subprogram Mission:**

*To ensure a "knock your socks off" vehicle rental experience by providing clean, safe, and environmentally friendly vehicles designed to win long-term agency customer satisfaction and loyalty.*

**Subprogram 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	7,076.4	13,376.1	13,376.1
Other Non Appropriated Fund	274.1	100.0	100.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>7,350.5</b>	<b>13,476.1</b>	<b>13,476.1</b>
FTE Positions	19.0	19.0	19.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Motor Pool subprogram.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with short-term (day use) vehicle rental.	6.16	6.31	6.5	6.7
● Customer satisfaction with long-term vehicle use.	6.21	6.18	6.5	6.7

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of average taxi fleet utilization.	83.08	67	85	85
● Percentage of downtime of Fleet Management vehicles in total fleet.	3.5	3	3	3

ADA.7 PROGRAM SUMMARY  
**CAPITOL POLICE**

Contact: Andy Staubitz, Chief of Capitol Police  
Phone: (602) 542-0362  
A.R.S. § 41-794 to 41-797

**Program Mission:**

*To maintain an orderly, secure and safe environment where visitors, employees, and other persons conducting business with the State of Arizona, within the capitol complexes in Phoenix and Tucson, will be safe and secure.*

**Program Description:**

The Capitol Police make arrests and issue citations for violations of Arizona State laws and rules; respond to all calls for assistance and render aid when possible; investigate threats, suspicious activities, circumstances, vehicles and persons; investigate all crimes and accidents occurring within the state complexes; and if appropriate, identify and apprehend suspect(s). The police force prepares reports and required documents; gathers and processes evidence on violations; assists state and county prosecutors in court presentations by giving evidence and testimony at trials and hearings; and provides escort services and motorist assistance. They also conduct training for state employees in crime prevention, personal safety and violence in the work place; conduct welfare checks and preventive patrols throughout the Capitol Complexes on a continuing basis; attend hearings, disciplinary actions and special events where violence is a real concern; maintain security posts in state buildings where higher levels of security are required; conduct buildings and grounds security checks on a day to day and shift to shift basis; monitor, respond and investigate all alarms received from the state's electronic security systems; and conduct building, grounds and facilities security and safety inspections and evaluations.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,930.3	1,992.1	1,992.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	1,343.3	1,144.7	1,144.7
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>3,273.6</b>	<b>3,136.8</b>	<b>3,136.8</b>



FTE Positions 75.0 75.0 75.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Capitol Police program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with crime prevention.	5.9	6.06	6.0	6.2
● Customer satisfaction with law enforcement.	6.22	6.37	6.0	6.2

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average response time to emergency calls (minutes:seconds).	1.2	1.7	2:00	2:00
● Number of Uniform Crime Reporting (UCR) part one crimes occurring within the Capitol Mall complex.	51	49	100	100

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To deliver customer service that is second to none in the Risk Management program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with handling of property and liability claims on annual survey.	6.05	6.22	6.5	6.5
● Customer satisfaction with self-insurance on annual survey.	6.28	6.3	6.5	6.5
● Customer satisfaction with loss prevention.	5.67	5.99	6.5	6.5
● Customer satisfaction with Workers' Compensation.	6.17	6.28	6.5	6.5

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Statewide incident rate per 100 Full Time Equivalent (FTE) positions (accepted claims).	5.49	4.64	5.4	5.4
● Total dollar losses of property and liability claims (in millions).	37.8	34.19	39.0	39.0
● Total dollar losses of workers' compensation claims (in millions).	18.5	17.77	18.5	18.5
● Number of settlements and judgements of greater than \$250,000.	12	10	15	15
● Number of liability claims opened.	3,584	3,583	4,000	4,000
● Cost of risk per capita (dollars).	15.3	14.46	15.88	15.88
● Percentage of workers' compensation claims reported within 48 hours.	66	75	75	75

ADA.8 PROGRAM SUMMARY  
**RISK MANAGEMENT**  
 Contact: Frank Hinds, Risk Manager  
 Phone: (602) 542-1791  
 A.R.S. § 41-621 et. seq.

**Program 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 our state employee customers who have work-related injuries.*

**Program 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 ADA; 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	78,135.0	95,596.2	93,521.7
Other Non-Appropriated Fund	1,087.1	1,856.3	1,856.3
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>79,222.1</b>	<b>97,452.5</b>	<b>95,378.0</b>
FTE Positions	203.5	203.5	203.5



<b>AGENCY SUMMARY</b>	
<b>OFFICE OF ADMINISTRATIVE HEARINGS</b>	
Cliff J. Vanell, Director	HGA
Contact: Cliff J. Vanell, Director	(602) 542-9853
A.R.S. § 41-1092.01	

**Agency 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.

**Agency Description:**

This Agency commenced operation January 1, 1996. Previously, administrative hearings were conducted "in-house" in each respective state agency or occupational board. The creation of the Office of Administrative Hearings as a separate agency charged with providing administrative law judges has interjected increased professional detachment and physical distance to ensure confidence in the independence and fairness of administrative hearings.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,069.6	1,075.9	1,075.9
Other Appropriated Funds	13.8	13.9	13.9
Other Non-Appropriated Fund	1,334.7	1,278.0	1,278.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>2,418.1</b>	<b>2,367.8</b>	<b>2,367.8</b>
FTE Positions	31.0	31.0	31.0

**Strategic Issues**

**Strategic Issue Number: 1**

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

**Agency Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of days from hearing request to hearing scheduling (days).	2.3	2.55	2.3	2.3
● Average number of days from hearing scheduling to first scheduled hearing (days).	52.92	48.71	48.71	48.71
● Average number of days from the first scheduled hearing to the conclusion of the hearing (days).	9.19	8.99	8.99	8.99
● Average number of days from the conclusion of the hearing to transmission of the decision to the agency (days).	10.13	11.66	10.13	10.13
● Average length of delay (in days) from first hearing date to conclusion of the case due to continuances.	52.65	51.38	51.38	51.38

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average length of a single continuance [measured by first continuances only] (in days).	46.21	39.99	39.99	39.99
● Cases docketed.	7,080	6,660	7,000	7,000
● Number of hearings held.	3,981	3,980	3,980	3,980
● New cases docketed to cases concluded.	1:96	1:1.01	1:1	1:1
● Hearings conducted by contract administrative law judges.	0	0	0	0
● Average days from request for hearing to first date of hearing.	55.22	51.31	51.39	51.39

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of agency acceptance of findings of fact and conclusions of law (excluding recommended order) without modification.	96.32	94.58	94.58	94.58
● Percent of agency acceptance of findings of fact and conclusions of law (including recommended order) without modification.	92.13	89.21	89.21	89.21
● Percent of OAH decisions contrary to original agency position.	22.26	18.49	18.49	18.49
● Percent of agency acceptance of contrary Office of Administrative Hearings decision.	86.49	75.49	75.49	75.49
● Percent of agency rejection of OAH decisions.	1.92	2.74	2.74	2.74
● Percent of cases reheard.	.72	.95	.95	.95
● Percent of cases appealed to Superior Court.	1.88	2.74	2.74	2.74
● Percent of evaluations rating the administrative law judge excellent or good in attentiveness.	96.9	96.66	97	98
● Percent of evaluations rating the administrative law judge excellent or good in explaining the hearing process.	96.82	97.38	98	99
● Percent of evaluations rating the administrative law judge excellent or good in the use of clear and neutral language.	96.84	97.08	98	99
● Percent of evaluations rating the administrative law judge excellent or good in impartiality.	94.77	96.71	97	98
● Percent of evaluations rating the administrative law judge excellent or good in dealing with the issues of the case.	94.37	95.64	96	97
● Percent of evaluations rating the office excellent or good in sufficient space.	95.3	96.55	97	98

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of evaluations rating the office excellent or good in providing freedom from distractions.	96.77	97.17	98	99
● Percent of evaluations rating the staff excellent or good in responding promptly and completely to questions.	95.05	96.8	97	98
● Percent of evaluations rating the staff excellent or good in courteous treatment.	96.72	97.53	98	99

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of text searches of administrative law judge decisions per week.	0	0	1	1
● Average number of weekly requests to website.	2,226	2,973	2,973	2,973
● Publication of new informational articles on internet site.	1	6	4	4
● Average number of weekly hits on agency portal for case information.	89	156	156	156
● Average number of individual domains accessing the website per week.	276	383	383	383
● Average number of hits on articles on website per week.	110	155	155	155
● Advertisements of website capability per month.	1,058	1,108	1,108	1,108



**AGENCY SUMMARY**  
**ATTORNEY GENERAL - DEPARTMENT OF LAW**

Terry Goddard, Attorney General AGA  
 Contact: Richrd Travis, Director of (602) 542-7922  
 Communications & Legislative Affairs  
 A.R.S. § 41-191

**Agency Mission:**

To provide comprehensive legal protection to the citizens of Arizona and quality legal services to the state agencies of Arizona.

**Agency Description:**

The Office of the Attorney General was created by Article V, Section I of the Arizona Constitution. The Attorney General is an elected position and holds office for a four-year term. Powers of the Attorney General are conferred by the Arizona Constitution or by statute. The fundamental obligation of the Attorney General is to act as legal advisor to all state agencies except those few exempted by law. Additionally, primary responsibilities include prosecuting and defending proceedings in which the State has an interest and rendering written opinions upon questions of law.

To accomplish these responsibilities, the Department of Law is comprised of seven divisions. These divisions are: the Child and Family Protection Division, the Civil Division, the Civil Rights Division, the Criminal Division, the Public Advocacy Division, the Administrative Operations Division, and Executive Administration. Each division is further organized into sections, which specialize in a particular area of practice.

<b>Agency Summary:</b>	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ LEGAL SERVICES	53,420.0	54,963.6	54,963.6
➤ CENTRAL ADMINISTRATION	12,611.7	13,163.2	13,163.2
Agency Total	66,031.7	68,126.8	68,126.8

<b>Funding and FTE Summary:</b>	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	23,038.3	22,878.6	22,878.6
Other Appropriated Funds	22,546.6	26,860.8	26,860.8
Other Non-Appropriated Fund	14,038.8	12,542.4	12,542.4
Federal Funds	6,408.0	5,845.0	5,845.0
Agency Operating Funds Total	66,031.7	68,126.8	68,126.8
FTE Positions	767.0	771.2	771.2

**Strategic Issues**

**Strategic Issue Number: 1**

*Technological Development*

The primary area of technological development to keep the Office competitive and productive is the installation of a state-of-the-art law office automation package. This would allow the consolidation of approximately 80 independent databases into a single relational database, thereby eliminating duplication of entry and enabling increased productivity and user satisfaction through integration. This system would have the capability to customize the input, view, and output of data by Section without the need for custom programming. It would also provide

for firewalls to prevent unauthorized user access to particular data elements. The system would include a variety of sub-systems such as Conflict of Interest Checking, Common Word Processor, Document Management, Docketing/Calendaring, Timekeeping, Litigation Support, Case Management, Victim Rights Services, and Collections.

**AGA.1 PROGRAM SUMMARY**  
**LEGAL SERVICES**

Contact: Richard Travis, Director of Communications & Legislative Affairs  
 Phone: (602) 542-7922  
 A.R.S. § 41-191

**Program Mission:**

*To provide quality legal protection to the citizens of Arizona and quality legal representation to the various agencies, boards, commissions, and committees of Arizona.*

**Program Description:**

The program of Legal Services is performed by five divisions, which operate as subprograms. These divisions are the Child and Family Protection Division, the Civil Division, the Civil Rights Division, the Criminal Division, and the Public Advocacy Division. Each division is organized into sections, which specialize in a particular area of practice. Legal services can range from providing all legal counsel to the Department of Economic Security (DES) to providing day-to-day legal practice to various departments, boards, and commissions. Additional legal services in the Civil Rights Division include enforcement of federal and state statutes that prohibit discrimination in employment, voting, public accommodations, and housing. The Criminal Division's main purpose is to investigate and prosecute cases involving specific areas of criminal law and to work in close cooperation with many federal, state, and local law enforcement agencies. The Public Advocacy Division's major duties are to enforce the environmental, consumer protection, and antitrust laws in a largely pro-active manner.

**This Program Contains the following Subprograms:**

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

<b>Funding and FTE Amounts:</b>	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	15,983.2	15,235.8	15,235.8
Other Appropriated Funds	22,296.4	26,609.4	26,609.4
Other Non-Appropriated Fund	9,856.5	8,360.3	8,360.3
Federal Funds	5,283.9	4,758.1	4,758.1
Program Total	53,420.0	54,963.6	54,963.6
FTE Positions	665.1	669.3	669.3

AGA.1.1 SUBPROGRAM SUMMARY  
PUBLIC ADVOCACY DIVISION

Contact: Cecilia D. Esquer, Division Chief Counsel  
Phone: (602) 542-7713  
A.R.S. § 41-191

**Subprogram 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.*

**Subprogram 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 Banking, and the Department of Health Services (DHS).

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,204.1	2,985.0	2,985.0
Other Appropriated Funds	3,510.2	4,263.5	4,263.5
Other Non Appropriated Fund	2,422.4	407.1	407.1
Federal Funds	719.6	717.1	717.1
<b>Subprogram Total</b>	<b>9,856.3</b>	<b>8,372.7</b>	<b>8,372.7</b>
FTE Positions	118.2	118.2	118.2

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of complaints opened.	18,733	17,264	18,000	18,000
• Complaints closed.	35,859	42,694	45,000	45,000
• Telephone calls received from the public.	71,325	64,823	66,000	66,000

- ◆ Goal 2 - To protect the public from consumer fraud.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Civil cases opened.	81	45	60	60
Decrease in number of cases was due to budget reductions, fewer attorneys, unfilled attorney positions, and attorneys litigating exceptionally large cases.				
• Judgments.	34	25	35	35

- ◆ Goal 3 - To provide quality legal representation to state agencies, assisting them in regulating the real estate, banking, securities, and insurance industries.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Administrative cases filed.	292	266	275	275
• Administrative orders obtained.	110	78	80	80
Decrease in number of orders obtained was due to budget reductions, fewer attorneys, and unfilled attorney positions.				

- ◆ Goal 4 - To prosecute violations of the Arizona Uniform Antitrust Act to successful judgments or settlements.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Civil cases filed.	4	1	7	8
• Judgments/settlements.	7	7	10	10
• Voluntary settlement agreements.	0	0	5	5

- ◆ Goal 5 - To enforce the Model Escrow Statute and Master Settlement Agreement.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Civil cases prosecuted or defended.	18	23	25	25
• Judgments/Settlements.	2	14	20	20
• Informal resolutions.	2	24	25	25

- ◆ Goal 6 - To work with local law enforcement to reduce sales of tobacco products to minors.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Compliance checks conducted in conjunction with local law enforcement.	792	302	300	400

The variance between projected and actual figures is attributable to DHS's use of a different method to combat smoking for FY2003 and beyond.

- Actions commenced.

The variance between projected and actual figures is attributable to DHS's use of a different method to combat smoking for FY2003 and beyond.

- Attorney General compliance checks/investigations.

The variance between projected and actual figures is attributable to DHS's use of a different method to combat smoking for FY2003 and beyond.

- ◆ Goal 7 - To provide the highest quality legal advice and representation to the Department of Environmental Quality, the Department of Agriculture, and the Game and Fish Commission and Department.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Civil advice and litigation files open.	686	680	690	705
Reductions in performance measures are due in large part to budget cuts.				
• Cases resolved within the year.	222	167	200	225
Reductions in performance measures are due in large part to budget cuts.				
• Hours spent on matters reviewed by not opened.	9,285	8,077	8,300	8,500
Reductions in performance measures are due in large part to budget cuts.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administrative hearings set.	126	136	138	140
● Summary and trial judgments.	14	7	10	15

Reductions in performance measures are due in large part to budget cuts.

AGA.1.2 SUBPROGRAM SUMMARY  
**CIVIL RIGHTS DIVISION**

Contact: Virginia Herrera-Gonzales, Division Chief Counsel  
Phone: (602) 542-7716  
A.R.S. § 41-191 and 41-1401

**Subprogram Mission:**

*To enforce civil rights laws, increase public awareness of civil rights, and provide dispute resolution services for the people of Arizona.*

**Subprogram Description:**

The Division's major duty is to enforce state and federal 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 conducts surveys and inquiries in efforts to eliminate discrimination and publishes reports to highlight civil rights issues in the State.

The Division has both administrative and civil functions. Its staff is comprised of lawyers, compliance officers, program coordinators, support personnel, volunteer mediators, and interns. The Division has offices in Phoenix and Tucson

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,384.9	1,402.4	1,402.4
Other Appropriated Funds	132.6	136.8	136.8
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	628.5	731.9	731.9
Subprogram Total	2,146.0	2,271.1	2,271.1
FTE Positions	45.6	45.6	45.6

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of cases resolved.	889	933	880	880
● Percentage of cases resolved using voluntary settlement agreements.	13.5	15.5	13.5	13.5

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of lawsuits.	27	34	27	27

AGA.1.3 SUBPROGRAM SUMMARY  
**CRIMINAL DIVISION**

Contact: Donald Conrad, Division Chief Counsel  
Phone: (602) 542-8473  
A.R.S. § 41-191 and 21-427

**Subprogram Mission:**

*To investigate and prosecute cases involving criminal violations on behalf of the citizens of Arizona.*

**Subprogram Description:**

The Criminal Division consists of attorneys, investigators, and support staff whose principal assignments focus them on investigating and litigating specific areas of criminal law. All sections of the Criminal Division work in close cooperation with many federal, state, and local law enforcement agencies to accomplish the Division's mission.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,736.2	6,105.0	6,105.0
Other Appropriated Funds	3,325.7	4,710.3	4,710.3
Other Non Appropriated Fund	7,095.9	7,650.8	7,650.8
Federal Funds	2,842.9	3,171.1	3,171.1
Subprogram Total	20,000.7	21,637.2	21,637.2
FTE Positions	175.5	192.2	192.2

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Death penalty cases open.	121	128	134	141
● Pleadings, motions, and responses filed (excluding motions for extension).	420	432	454	477
● Extensions filed.	33	86	82	78
● Percent of extensions filed to pleadings, motions, and responses filed.	7.9	19.9	18.1	16.3
● Death sentences carried out.	0	0	3	3
● Percentage of capital case convictions upheld by the Arizona Supreme Court.	100	67	90	90

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of death penalty sentences affirmed by the Arizona Supreme Court.	87.5	0	50	75

Projections have been changed to account for anticipated complexities involved in changing to a new (jury) sentencing procedure in capital cases.

- ◆ Goal 2 - To increase efficiency in defending the State of Arizona in appellate cases.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Appellate files opened.	2,293	1,933	2,030	2,132
● Pleadings, motions, and responses filed (excluding motions for extension).	1,332	1,162	1,220	1,281
● Extensions filed.	490	620	589	560
● Percent of extensions filed to files opened.	21.4	32.0	29.0	26.2

- ◆ 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 that reduce the profit incentive of drug trafficking, and to disrupt racketeering enterprises.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cases open.	448	730	766	766
● Opened cases resolved within the year.	584	318	333	333
● Number of defendants.	2,131	1,884	1,978	1,978

- ◆ Goal 4 - To support statewide prosecution and forfeiture efforts through training, research, and investigative assistance.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Law enforcement training seminars.	86	47	49	49
● Financial inquiries (e.g., bank records, asset searches, etc.) on behalf of prosecutors.	1,014	937	983	983

- ◆ Goal 5 - To investigate and prosecute complex financial and high technology crimes that other prosecution offices cannot because of limitations in manpower, experience, or resources.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cases open.	1,138	1,108	1,163	1,163
Decrease in cases open is due to turnover of key personnel in FY2003 and the concentration of resources on large, complex cases.				
● Open cases resolved within the year.	730	447	469	469
● Total victim losses (in millions of dollars).	792	678	711	711
● Total number of victims.	18,607	14,783	15,522	15,522
● Restitution ordered by the courts (in millions of dollars).	24	8.5	8.9	8.9

- ◆ Goal 6 - To provide competent and timely investigative assistance to address the increasing case demands of the Office.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Open cases.	868	1,199	1,050	1,025

- ◆ Goal 7 - 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.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of individuals and organizations publicly recognized for exemplary service.	7	5	5-8	5-8
● Referred proposals that are reviewed and assessed.	23	40	26	26
● Number of victim service network events participated in.	62	51	65	65
● Number of recipients per newsletter edition (six annually).	960	925	750	750

To save money on postage and printing, the mailing list was updated and condensed in March, 2003, to have only one or two mailed per agency, thereby reducing the number of recipients from approximately 950 to 750.

AGA.1.4 SUBPROGRAM SUMMARY  
**CHILD AND FAMILY PROTECTION DIVISION**

Contact: Sharon Sergent, Division Chief Counsel  
Phone: (602) 542-1645  
A.R.S. § 41-191

**Subprogram Mission:**

*To provide the Department of Economic Security (DES) with high quality and timely legal advice on all matters affecting the welfare of children and families.*

**Subprogram Description:**

The Division is responsible for providing legal services to the Department of Economic Security (DES). These legal services are provided in the areas of aging and community services, benefits and medical eligibility, child abuse and neglect, child support, developmental disabilities, employment and rehabilitation services, and general counsel.

The budget for this Division is predominantly shown as a Special Line Item within the Department of Economic Security budget.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	139.8	140.0	140.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	1,092.9	138.0	138.0
Subprogram Total	1,232.7	278.0	278.0
FTE Positions	21.0	1.5	1.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To assist DES in protecting children from abuse and neglect by providing legal services and representation compliance

with the timeframes established in "Model Court" statutes

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of dependencies filed by DES (including supplemental and in-home petitions).	2,114	2,635	2,900	2,800
● Number of preliminary protective hearings within five to seven days of filing initial dependency petition.	1,780	2,016	2,200	2,100
● Number of hearings held to establish permanent plan.	1,755	1,828	2,100	2,500

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of reunifications achieved (child back with parents).	818	1,597	1,400	1,400
● Number of guardianships achieved (child placed with guardian).	498	296	400	400
● Number of terminations achieved (child removed from parents).	801	671	800	800

◆ Goal 3 - To provide quality legal representation to DES in administrative decision matters.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administrative decision matters received.	717	777	700	700
● Administrative decision matters resolved.	632	657	600	600

AGA.1.5 SUBPROGRAM SUMMARY  
**CIVIL DIVISION**

Contact: Terri Skladany, Division Chief Counsel  
Phone: (602) 542-8080  
A.R.S. § 41-191

**Subprogram 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.*

**Subprogram 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 of the State of Arizona.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,658.0	4,743.4	4,743.4
Other Appropriated Funds	15,188.1	17,358.8	17,358.8
Other Non Appropriated Fund	338.2	302.4	302.4
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>20,184.3</b>	<b>22,404.6</b>	<b>22,404.6</b>
FTE Positions	304.8	311.8	311.8

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To enhance managerial effectiveness of Civil leadership.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Management training courses (hours).	N/A	2	4	5

◆ Goal 2 - To improve client satisfaction and efficiency by increasing communication between the Division and its client agencies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Client training about the law as it affects their job responsibilities.	N/A	20	26	26

◆ Goal 3 - To collect debts owed to the State sufficient to pay Bankruptcy and Collection Enforcement (BCE) operations and revert excess monies to the State General Fund.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Dollars collected (in thousands).	12,800	13,700	13,250	14,575

◆ Goal 4 - To provide effective advocacy and advice to assist the State Land Department protect and augment the value of State trust land.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Amounts recovered, generated, and/or saved (in millions of dollars).	39.2	49.3	50.0	55.0

◆ Goal 5 - To provide quality legal services that are more efficient and less costly than outside legal counsel (AAG = Attorney General's Office and OSC = Outside Counsel).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average months in suit: per tort lawsuit - AAG.	16	19	19	19



Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average months in suit: per tort lawsuit - OSC.	20	35	35	40
● Average billable hours: per tort lawsuit - AAG.	191	276	190	200
● Average billable hours: per tort lawsuit - OSC.	666	579	650	700
● Average billable hourly rate: per tort lawsuit - AAG.	72	74	76	76
● Average billable hourly rate: per tort lawsuit - OSC.	130	128	130	130

**Program Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administrative costs as a % of total costs.	5.9	7.0	6.6	6.6

- ◆ Goal 2 - To provide a superior level of legal services that meets the needs of the Office's client agencies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction rating for client agencies (Scale of 1 to 8, with 8 the highest).	7.1	7.1	7.1	7.1

- ◆ Goal 3 - To decrease the time it takes to issue formal legal opinions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Days to respond to a request for a legal opinion.	40	72	60	60

- ◆ Goal 4 - To retain professional staff whose experience and skills are essential in serving the people of Arizona and the client agencies who rely on the expertise of this Office.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of agency staff turnover.	12.8	26.5	14.0	14.0

The increase in turnover in FY2003 is largely due to cuts to the Attorney General's Office budget which forced a reduction in staff.



AGA.2                      PROGRAM SUMMARY  
**CENTRAL ADMINISTRATION**

Contact: Richard Travis, Director of Communications & Legislative Affairs  
 Phone: (602) 542-7922  
 A.R.S. § 41-191

**Program Mission:**

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

**Program Description:**

The program is comprised of three areas: (1) Attorney General, Executive Staff, and External Affairs, (2) Solicitor General, and (3) Administrative Operations Division. The Attorney General and executive staff are responsible for providing or facilitating legal advice to state officials, legislators, county attorneys, and client state agencies as well as certifying rules promulgated by state agencies. External Affairs responds to general inquiries from the public, state legislators, staff, and the media. The Solicitor General's responsibilities include: (1) managing the state's civil appellate matters, (2) overseeing significant criminal appeals by advising on issues, (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 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. The Administrative Operations Division provides administrative support to the Office in the areas of financial, budget, and procurement services; human resources; information services; facilities management; and library and research assistance.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,055.1	7,642.8	7,642.8
Other Appropriated Funds	250.2	251.4	251.4
Other Non-Appropriated Fund	4,182.3	4,182.1	4,182.1
Federal Funds	1,124.1	1,086.9	1,086.9
<b>Program Total</b>	<b>12,611.7</b>	<b>13,163.2</b>	<b>13,163.2</b>
FTE Positions	101.9	101.9	101.9

<b>AGENCY SUMMARY</b>	
<b>OFFICE OF THE AUDITOR GENERAL</b>	
Debbie Davenport, Auditor General	AUA
Contact: Julie Cantrell, Manager of Administration	(602) 553-9830
A.R.S. § 41-1279	

**Agency Mission:**

To independently provide the Legislature, government decision-makers, and the public with impartial, relevant information, specific recommendations, and technical assistance to improve state and local government operations.

**Agency Description:**

The Auditor General is appointed by the Joint Legislative Audit Committee and approved by a concurrent resolution of the Legislature. A.R.S. § 41-1279 requires the Auditor General to express an opinion on the financial statements of audited entities, and determine compliance with applicable federal and Arizona laws. A.R.S. § 41-1279 and A.R.S. § 41-2953 further require the Auditor General to conduct comprehensive performance evaluations of state agencies and the programs they administer. Effective July 1, 2001, the Legislature established an audit team to conduct performance audits of school districts and monitor the percentage of dollars spent in the classroom.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	10,778.8	11,147.0	11,627.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	1,102.4	1,200.0	1,200.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>11,881.2</b>	<b>12,347.0</b>	<b>12,827.4</b>
FTE Positions	196.4	196.4	196.4

**Strategic Issues**

**Strategic Issue Number: 1**

*To identify future workforce skills.*

A knowledge-based economy and an ever-increasing trend toward globalization are changing the skills needed for success in the labor force. A competent and skilled workforce is integral to the Office's success in achieving our mission. Therefore, our agency will research, evaluate, and identify the knowledge, skills, and abilities our workforce should possess in fiscal year 2009.

**Strategic Issue Number: 2**

*To study and prepare for identified emerging issues.*

Identifying and understanding emerging issues and their potential impact is critical in a changing world. The identified issues include such items as e-government, innovative technology in auditing, changes in standards, paperless audits, and continuous auditing. These issues will be studied and prioritized, and an action plan developed.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To provide high-quality relevant information in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of hours to complete each Performance Audit Division audit.	1,913	2,483	2,500	2,500
● External quality control review resulted in clean opinion (triennial review).	Yes	NA	NA	Yes
● Percentage of imposed deadlines met.	99	90	100	100
● Percentage of single audit reports accepted by cognizant agency.	100	100	100	100
◆ Goal 2 - To ensure the impact of our products through effective continued communication with stakeholders.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of legislative recommendations implemented or adopted within two years.	56	60	60	60
● Percentage of single audit recommendations implemented or adopted within one year for financial audits.	53	56	65	65
● Customer satisfaction rating (scale of 1 to 8).	N/A	6.83	N/A	6
● Percentage of administrative recommendations implemented or adopted within two years for performance audits.	97	92	90	90
◆ Goal 3 - To attract, retain and manage our human resources to effectively achieve our mission.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of time operating division staff spend on projects that are directly productive to the Office mission.	74.3	75.4	75	75
● Percentage of staff turnover.	19	19.4	27	27
◆ Goal 4 - To maximize employee proficiency by providing technology, training, and developmental opportunities.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration as a percentage of total costs.	8	8.5	8	8



**AGENCY SUMMARY  
CLEAN ELECTIONS COMMISSION**

Colleen Connor, Executive Director ECA  
 Contact: Rebecca Hecksel, Campaign Finance (602) 364-3477  
 Analyst  
 A.R.S. § 16-901 et seq

**Agency Mission:**

To fairly, faithfully and fully implement and administer the Arizona Citizens Clean Elections Act.

**Agency Description:**

The Citizens Clean Elections Act was a campaign finance reform measure initiated by Arizona citizens and approved by a majority of the qualified electorate 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 a participating candidate 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. Nonparticipating candidates must accept campaign contributions at amounts that are 20 percent less than allowed in statute (A.R.S. § 16-905) 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 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	14,878.0	3,876.8	7,107.9
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	14,878.0	3,876.8	7,107.9
FTE Positions	10.0	10.0	11.0

**Strategic Issues**

**Strategic Issue Number: 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 2002 election cycle. The intent of the proposed legislative changes is to clarify the law and to smooth out the political process. 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.

**Strategic Issue Number: 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 and 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. The Commission is looking forward to the 2004 election cycle to increase voter awareness regarding the benefits of the Clean Elections Act.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To provide public funding to qualified candidates.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of certified participating candidates (calendar years).	140	N/A	119	N/A
● Total funds distributed to participating candidates (calendar years in thousands).	12,864.8	N/A	3,257.3	N/A

- ◆ Goal 2 - To administer debates and develop a procedure for communicating candidate statements to the citizens of Arizona

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of candidate debates held (calendar years).	71	N/A	60	N/A
● Percent of candidates submitting candidate statements (calendar years).	83.4	N/A	95	N/A
● Number of candidate statement pamphlets mailed to AZ households (calendar years in thousands).	2,800.0	N/A	2,800.0	N/A

- ◆ Goal 3 - To comply with the Caps for spending specified in the Clean Elections Act

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of cap spent on administration and enforcement (calendar years).	6.3	7.6	9	9
● Percent of cap applied to voter education (calendar years).	10.4	15.7	11	11



**AGENCY SUMMARY  
DEPARTMENT OF COMMERCE**

Gilbert Jimenez, Director EPA  
 Contact: Tim Lawless, Assistant Deputy (602) 771-1218  
 Director  
 A.R.S. § 41-1501

**Agency Mission:**

To facilitate the retention and creation of quality jobs statewide, strengthening the tax base and improving the quality of life for all Arizonans.

**Agency Description:**

As the state's principle economic development agency, the Department develops and implements the state's economic development plan directed at creating and retaining quality jobs statewide. The plan includes strategies that promote Arizona's global competitiveness; collects and disseminates economic and business-related information; supports community infrastructure and economic planning in rural areas; 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)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION & FINANCE	3,510.3	3,407.9	3,509.9
➤ BUSINESS DEVELOPMENT	9,718.8	33,283.2	19,829.7
➤ COMMUNITY AND INFRASTRUCTURE DEVELOPMENT	17,629.6	7,575.4	2,889.6
Agency Total	30,858.7	44,266.5	26,229.2

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,643.5	3,568.6	3,568.6
Other Appropriated Funds	2,672.8	3,451.2	3,451.2
Other Non-Appropriated Fund	19,508.4	31,073.3	18,573.3
Federal Funds	5,034.0	6,173.4	636.1
Agency Operating Funds Total	30,858.7	44,266.5	26,229.2
FTE Positions	107.9	106.5	106.5

**Strategic Issues**

**Strategic Issue Number: 1**

*Increase and improve services to small businesses statewide.*

All Department business development programs assist Arizona small businesses. The Department has developed a targeted package of initiatives in FY04 to improve service delivery to this sector. Specifically, the Department is undertaking the following actions: (1) improve assistance to state permits and licenses, helping business navigate the multiple state agencies associated with business start-up and expansion; (2) reinvigorate Governor's Small Business Council, creating a stakeholder network to discuss and evaluate small business issues; (3) expand Arizona BusinessLinc statewide, an on-line tool that connects local suppliers with potential buyers; (4) increase access to state procurement opportunities

for minority and women-owned businesses; (5) improve access to job training funds; (6) implement strategies designed to assist development of technology businesses; and (7) deploy cross-trained field representatives to more effectively assist small businesses in rural communities.

**Strategic Issue Number: 2**

*Broaden and enhance rural development efforts.*

With most of the economic activity concentrated in Maricopa and Pima counties, other regions face enormous challenges to promote economic development. With high unemployment, little industry diversity and inadequate infrastructure, rural communities depend heavily on technical and financial assistance provided by the Department. To improve outreach to rural areas, the Department is initiating the following actions in FY04: (1) expand rural matching grant program to develop foundational data and analyses critical to regional development strategies; (2) deploy cross-trained field representatives to more effectively assist rural communities; (3) expand Arizona BusinessLinc statewide, an on-line tool that connects suppliers with purchasing companies; (4) increase access to state and federal workforce development resources; and (5) develop regional marketing plans designed to attract new businesses.

**Strategic Issue Number: 3**

*Improve support for business efforts to grow and train Arizona's workforce.*

Businesses consistently tell the Department that hiring skilled workers is one of their greatest challenges. To that end, the Department is facilitating the coordination of more than \$200 million in state and federal workforce training resources. Over the course of three years, the Department, working with local workforce resource providers and the Governor's Council on Workforce Policy, expects to improve resource delivery and increase awareness of job training opportunities, leading to increased investment in the State's workforce.

**Strategic Issue Number: 4**

*Improve Arizona's technology-focused entrepreneurial climate.*

Innovation, technology and entrepreneurship are key drivers in today's knowledge-based economy. Several recent studies have identified the need to improve technology sector economic development by establishing policies and networks that support innovation and commercialization of technology. Since January, the Department has managed the stakeholder process (Governor's Innovation and Technology Council) designed to develop strategies that address impediments to technology development in Arizona (capital scarcity, limited research and development, little technology transfer, workforce limitations, and lack of marketing to attract innovation companies and talent). The Council will finalize its recommendations in FY04. The Department will play a key role in implementing state-level initiatives.

**Strategic Issue Number: 5**

*Coordinate the Military Airports Regional Compatibility Project statewide.*

With an economic impact of over \$6 billion annually, Arizona's military bases are among the state's most important economic assets. To protect these facilities from federal closure, Arizona must balance the military mission and local development pressures. The Military Airports Regional Compatibility Project, managed by the Department, has become the national model for multi-jurisdictional cooperation. The study of Luke Air Force Base was completed in FY03. The Department is currently coordinating the study of Davis-Monthan Air Force Base.

**Strategic Issue Number: 6**

*Develop strategies to increase trade with Mexico and Latin America.*

Annually, Arizona exports more than \$3 billion worth of products to Mexico, making it Arizona's number one export market. The Department will be evaluating strategies to increase international trade opportunities and to connect Arizona businesses with trade opportunities in Mexico and Latin America. The Department will also support efforts to facilitate cross border trade by conducting a transportation and logistics study in support of CANAMEX and cyberport development.

**Strategic Issue Number: 7**

*Develop long-range strategic plan for economic development.*

The Department, via its Commerce and Economic Development Commission, has a statutory mandate to develop a long-range strategy for economic development. The plan is developed based on sound economic analysis and stakeholder input. In FY03, the Department completed the Statewide Economic Study, the most comprehensive analysis of Arizona's regional economies performed to date. In FY04, the Department will integrate this study along with recommendations from the Governor's Council on Innovation Technology and research conducted on targeted industry sectors into a statewide plan. The outcome will benchmark Arizona's economy, establish specific economic development targets and articulate short- and long-term action steps. This analysis will assist state and local leaders to make informed decisions that maximize the investment of public resources in economic development.

EPA.1                      PROGRAM SUMMARY  
**ADMINISTRATION & FINANCE**

Contact: Tim Lawless, Assistant Deputy Director  
 Phone: (602) 771-1218  
 A.R.S. § 41-1504 et. seq.

**Program 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.*

**Program 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 special projects, and quality management of financial incentive programs.

**This Program Contains the following Subprograms:**

- ▶ Loans and Grants
- ▶ Administration

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	967.5	1,130.9	1,130.9
Other Appropriated Funds	669.7	846.6	846.6
Other Non-Appropriated Fund	1,486.8	1,175.4	1,175.4
Federal Funds	386.3	255.0	357.0
<b>Program Total</b>	<b>3,510.3</b>	<b>3,407.9</b>	<b>3,509.9</b>
FTE Positions	27.7	29.0	29.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To administer the Enterprise Zone program fairly and effectively.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of jobs created by companies participating in the Enterprise Zone program.	12,009	11,460	8,400	8,400

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Capital investment made by companies participating in Enterprise Zone program (property tax and income tax programs) (in millions).	1,402.7	1,353.3	982	982
● Number of property tax certifications.	37	37	42	42
● Total annual income tax credits for employees (in millions).	25.5	27.9	18	18

EPA.1.1                      SUBPROGRAM SUMMARY  
**LOANS AND GRANTS**

Contact: Tim Lawless, Assistant Deputy Director  
 Phone: (602) 771-1218  
 A.R.S. § 41-1505 et.seq.

**Subprogram Mission:**

*To provide financial services, quality program management, and technical expertise in support of the Agency's economic and community development goals.*

**Subprogram Description:**

The Loans and Grants subprogram includes the Commerce and Economic Development Commission (CEDC); the state's fund for economic development; and the Economic Strength Program (ESP), a joint program with ADOT to provide grants for roadway projects to cities, towns, and counties. Financial assistance awards reflect the Division's commitment to increasing wage levels around the state, leveraging additional investment from other sources and enhancing the economic development goals established as part of the state strategic plan for economic development. Staff analyze applications for financial soundness, prepare contracts and legal documents, conduct compliance reviews, process loan and interest payments, develop reports for the Governor and the legislature, and serve as staff for the Commerce and Economic Development Commission.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	669.7	846.6	846.6
Other Non Appropriated Fund	1,167.7	1,027.1	1,027.1
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,837.4</b>	<b>1,873.7</b>	<b>1,873.7</b>
FTE Positions	12.7	12.5	12.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To stimulate job creation and capital investment in Arizona's economy.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Financial assistance awarded (in millions).	1.08	1	1	1

**EPA.1.2 SUBPROGRAM SUMMARY  
ADMINISTRATION**

Contact: Tim Lawless, Assistant Deputy Director  
Phone: (602) 771-1218  
A.R.S. § 41-1504 et. seq.

**Subprogram 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.*

**Subprogram 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 special projects, and quality management of financial incentive programs.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	967.5	1,130.9	1,130.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	319.1	148.3	148.3
Federal Funds	386.3	255.0	357.0
Subprogram Total	1,672.9	1,534.2	1,636.2
FTE Positions	15.0	16.5	16.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide high level, cost effective customer service to Department of Commerce internal customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
	● Percent of surveys marked "very good" or "excellent" from annual survey of Administration Division's internal customers.	75	N/A	75

- ◆ Goal 3 - To provide the Department with efficient and effective telecommunications/ LAN services and management information systems.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
	● Percentage of network up-time.	99	99	99

*standard of living for Arizonans.*

**Program Description:**

The Business Development Group 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. Its sub-programs include Business Development, Workforce Development, Small Business Services (including advocate, minority and women business services), International Trade and Investment, Motion Picture Development, and the Office of Innovation/Technology.

**This Program Contains the following Subprograms:**

- ▶ Business Development
- ▶ Workforce Development
- ▶ Business Assistance Center
- ▶ International Trade and Investment
- ▶ Motion Picture Development

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,183.3	2,148.5	2,148.5
Other Appropriated Funds	1,562.3	2,050.4	2,050.4
Other Non-Appropriated Fund	5,051.9	28,130.8	15,630.8
Federal Funds	921.3	953.5	0.0
Program Total	9,718.8	33,283.2	19,829.7
FTE Positions	47.6	46.6	46.6

**EPA.2.1 SUBPROGRAM SUMMARY  
BUSINESS DEVELOPMENT**

Contact: Michele Pino, Director  
Phone: (602) 771-1123  
A.R.S. § 41-1502 to 41-1505

**EPA.2 PROGRAM SUMMARY  
BUSINESS DEVELOPMENT**

Contact: Kevin Bishop, Assistant Deputy Director  
Phone: (602) 771-1184  
A.R.S. § 41-1504 et. seq.

**Program Mission:**

*To enhance Arizona's global competitiveness, which creates jobs and a higher*

**Subprogram Mission:**

*To support a globally competitive Arizona by attracting new and expanding businesses that will create quality jobs for Arizona.*

**Subprogram Description:**

The Business Development program aggressively markets the State of Arizona as a business opportunity nationally and internationally to attract new and expanding businesses. The Division is responsible for proactive marketing, which includes advertising, direct mail, prospecting trips, trade shows, collateral material development, coordination of site visits, and networking with facility location decision makers and businesses. This strategy includes economic development partners statewide. Special emphasis is placed on the growth and development of existing and new business in rural Arizona and in four targeted industry sectors statewide: information technology, aerospace, bioscience and environmental industries. For purposes of this master list, the Planning, Research and Policy (PROP) Division and the Office of Innovation/Technology are contained in this sub-program. The PROP Division provides reliable economic information for use by business and civic leaders, collects and disseminates data, and conducts economic related research projects on behalf of the state. The Innovation/Technology Office focuses on analyzing and crafting strategies to address impediments to growth within emerging industries.

- ◆ Goal 2 - To provide credible and timely research, communication, and publications to support business and community development.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Promotional and informational publications developed, devised, revised, or edited (includes web pages, printed publications, brochures, reports, community profiles, and other informational pieces).	2,265	4,176	2,155	2,160
● Number of reports/publications in on-line economic research clearinghouse database.	N/A	450	500	525

EPA.2.2 SUBPROGRAM SUMMARY  
**WORKFORCE DEVELOPMENT**  
 Contact: Darcy Renfro, Assistant Deputy Director  
 Phone: (602) 771-1100  
 A.R.S. § 41-1504

**Subprogram Mission:**

*To develop policies and support the implementation of a statewide system, congruous with the economic development initiatives of the state and private sector, that will effectively and efficiently prepare and re-prepare Arizonans for work.*

**Subprogram Description:**

Workforce Development consists of four programs. Workforce Policy provides staff to the Governor's Council ("Council") on Workforce Policy so as to enable the Council to meet its state and federal oversight responsibilities for Arizona's twenty-seven (27) workforce development programs. The office also provides support and monitoring services to Arizona's Registered Apprenticeship programs. The Arizona Job Training program provides reimbursement grants for short-term, customized job training. The Information Technology ("IT") Training Tax credit is available to businesses as a 50-50 match for training up to twenty (20) employees in IT skills.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	304.4	156.0	156.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	4,810.9	27,872.3	15,372.3
Federal Funds	921.3	953.5	0.0
Subprogram Total	6,036.6	28,981.8	15,528.3
FTE Positions	14.8	13.8	13.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the per capita income of Arizona citizens by providing job training assistance to companies, creating high wage jobs.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of companies assisted.	44	67	50	50

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,249.7	1,342.8	1,342.8
Other Appropriated Funds	422.9	831.8	831.8
Other Non Appropriated Fund	96.4	118.5	118.5
Federal Funds	0.0	0.0	0.0
Subprogram Total	1,769.0	2,293.1	2,293.1
FTE Positions	17.8	17.8	17.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To assist in the attraction to or expansion of companies in Arizona.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of companies recruited to rural locations.	17	14	22	24
● Percent of locates in targeted clusters (refined in FY03 from eleven to four clusters).	84	52	40	45
● Company capital investment (in millions).	330	569	550	600
● Average hourly wage rate per job.	19.00	19.50	19.00	19.50
● Jobs created by companies utilizing Commerce Business Development (CBD) programs.	8,601	14,101	10,000	12,000
● Number of new company relocations, expansions.	59	54	62	64
● Number international locates.	2	5	5	6

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average hourly wage of jobs to be created by companies participating in the Job Training program.	18.83	15.73	19.25	19.50
● Private sector training funds leveraged with Job Training dollars (in millions).	13.8	9.1	9.5	10
● Number of workers under contract to be trained.	15,900	20,654	10,000	10,000
◆ Goal 2 - To provide specialized occupational training and work experience to meet the needs of Arizona businesses and the economy.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of active apprenticeship programs.	107	109	112	115

**EPA.2.3 SUBPROGRAM SUMMARY**  
**BUSINESS ASSISTANCE CENTER**

Contact: Lydia Aranda, Director  
 Phone: (602) 771-1173  
 A.R.S. § 41-1504 et. seq.

**Subprogram Mission:**

*To promote the development and expansion of small, minority and women-owned businesses.*

**Subprogram Description:**

The office conducts activities that promote the development and expansion of small, minority and women-owned businesses.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	24.4	24.4
Other Appropriated Funds	308.8	250.4	250.4
Other Non Appropriated Fund	7.2	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>316.0</b>	<b>274.8</b>	<b>274.8</b>
FTE Positions	4.0	4.0	4.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To serve as the primary source of information to accommodate small business growth and to assist new and expanding businesses in locating state, regional, and local government resources.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of responses to inquiries (includes follow-up inquiries, phone and virtual representative, and customized emails).	27,018	73,176	75,000	78,000
● Stakeholder ranking small business services as "good" or "excellent".	N/A	N/A	90	90

**EPA.2.4 SUBPROGRAM SUMMARY**  
**INTERNATIONAL TRADE AND INVESTMENT**

Contact: Sally Spray, Director  
 Phone: (602) 771-1158  
 A.R.S. § 41-1504 et. seq.

**Subprogram Mission:**

*To help Arizona businesses successfully expand into foreign markets and to attract foreign investment into Arizona, thus helping to create and retain jobs.*

**Subprogram Description:**

The International Trade and Investment program helps Arizona small and medium-sized businesses market their products and services in international markets by offering export counseling, written and electronic data for market research, facilitating visiting programs, and by organizing trade show and trade mission participation by local companies outside the United States. The program also promotes job-producing investment from outside the United States by recruitment efforts in target markets, including trade shows and direct calling efforts.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	330.5	334.2	334.2
Other Appropriated Funds	830.6	968.2	968.2
Other Non Appropriated Fund	109.0	110.0	110.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,270.1</b>	<b>1,412.4</b>	<b>1,412.4</b>
FTE Positions	5.0	5.0	5.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide technical assistance and information to assist companies to sell internationally.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of substantive export and trade related technical assistance sessions provided to export-ready, growth-potential companies and individuals (measure no longer includes general information services to businesses).	727	817	775	800
● Number of trade events (trade shows, trade missions, conferences and workshops).	8	20	15	15
● Companies participating in trade events.	308	591	400	450
● Percentage of companies rating service as "important" or "very important" to the ability of their business to access foreign markets.	N/A	95	90	90



◆ Goal 2 - To promote foreign investment in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Potential foreign investors attracted to Arizona for site visits.	5	5	7	7

EPA.2.5 SUBPROGRAM SUMMARY  
**MOTION PICTURE DEVELOPMENT**

Contact: Robert Detweiler, Director  
Phone: (602) 771-1135  
A.R.S. § 41-1504 et. seq.

**Subprogram Mission:**

*To generate economic growth by attracting film and television production from around the world.*

**Subprogram Description:**

The Arizona Film Commission attracts and supports film and television production through exceptional customer service and marketing strategies for the express purpose of creating jobs and generating revenues.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	298.7	291.1	291.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	28.4	30.0	30.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	327.1	321.1	321.1
FTE Positions	6.0	6.0	6.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To increase visibility and stature for Arizona as a location destination and production center.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of projects attracted or facilitated.	455	310	400	400
● Success ratio (percent of attracted production/serious considerations).	31	25	28	28

◆ Goal 2 - To attract film and television production to Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of film projects shot in Arizona.	92	48	95	95
● Number of production days.	848	238	700	700

EPA.3 PROGRAM SUMMARY  
**COMMUNITY AND INFRASTRUCTURE DEVELOPMENT**

Contact: Tom Belshe, Assistant Deputy Director  
Phone: (602) 771-1136  
A.R.S. § 41-1502, 41-1505, 41-1516

**Program Mission:**

*To build the foundation for a healthy economy by providing coordinated technical and financial assistance to Arizona communities and local partners.*

**Program Description:**

The Community and Infrastructure Development Group provides technical and financial assistance to political subdivisions, community based organizations and private companies to enhance the physical infrastructure of local communities and to promote the intelligent use of resources. The Group is comprised of three elements: community planning, a rural development office, and energy development and utilization.

**This Program Contains the following Subprograms:**

- ▶ Greater Az Development Authority
- ▶ Bond Activity Administration
- ▶ Energy Development and Utilization

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	492.7	289.2	289.2
Other Appropriated Funds	440.8	554.2	554.2
Other Non-Appropriated Fund	12,969.7	1,767.1	1,767.1
Federal Funds	3,726.4	4,964.9	279.1
Program Total	17,629.6	7,575.4	2,889.6
FTE Positions	32.6	30.9	30.9

EPA.3.1 SUBPROGRAM SUMMARY  
**GREATER AZ DEVELOPMENT AUTHORITY**

Contact: Tom Belshe, Assistant Deputy Director  
Phone: (602) 771-1136

**Subprogram Mission:**

*To provide technical assistance and low-cost financing solutions to local infrastructure development projects.*

**Subprogram Description:**

The Greater Arizona Development Authority (GADA) assists local communities and tribal governments in the development and financing of public infrastructure projects by providing technical and financial assistance to these communities.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	492.7	289.2	289.2
Other Appropriated Funds	321.8	403.2	403.2
Other Non Appropriated Fund	3,123.1	884.4	884.4
Federal Funds	259.0	274.1	274.1
Subprogram Total	4,196.6	1,850.9	1,850.9
FTE Positions	13.0	12.3	12.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase community self-reliance and self-sufficiency through financial support and technical assistance toward the development of local resources and effective use of volunteers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Main Street and REDI communities assisted with implementing strategic plans.	N/A	20	32	44
● Number of rural communities assisted in developing and implementing business, retention and expansion plans.	N/A	5	6	9
● Military Airport land use compatibility studies completed.	N/A	1	2	2
● Number of Growing Smarter plans reviewed.	42	30	30	30

- ◆ Goal 2 - To increase development of public infrastructure projects by improving access to capital markets for communities with low and non-investment grade bond ratings.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Amount of financial assistance (in millions) loaned to cities, towns, counties, and special districts.	6.35	7.64	20.00	20.00
● Amount of savings (in thousands) for cities, towns, counties, tribes, and special districts from participation in the GADA program over private financing.	675	437	400	400

**Subprogram Mission:**

*To provide quality management of financial incentive programs and offer technical expertise in support of the Agency's economic development goals.*

**Subprogram Description:**

The Department of Commerce is the agency responsible for allocating the state's portion of the federally established private activity bond volume cap. Commerce provides a registry of bond allocation requests and certificates of bond closing, issues confirmations of bond allocations as well as project-specific volume cap carry-forward, evaluates information provided by applicants for Director's Discretion bond category, responds to utilization inquiries from the private sector, and maintains all other records required for the administration of the program.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	100.1	120.2	120.2
Other Non Appropriated Fund	141.9	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	242.0	120.2	120.2
FTE Positions	1.5	1.5	1.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To administer the Private Activity Bond program fairly and consistently.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of allocation requests received.	58	71	64	67

**EPA.3.3 SUBPROGRAM SUMMARY  
ENERGY DEVELOPMENT AND UTILIZATION**

Contact: Craig Marks, Director  
Phone: (602) 771-1139  
A.R.S. § 41-1504 et. seq.

**EPA.3.2 SUBPROGRAM SUMMARY  
BOND ACTIVITY ADMINISTRATION**

Contact: Tim Lawless, Assistant Deputy Director  
Phone: (602) 771-1218

**Subprogram Mission:**

*To promote and coordinate the efficient development and utilization of energy to achieve a sustainable economy and environment for Arizona.*

**Subprogram Description:**

The Energy Office has the responsibility to administer various U.S. Department of Energy federal funds, U.S. Department of Health and Human Services funds, Weatherization Assistance funds, and oil over-charge restitution funds. This is accomplished through 3 program operating components: energy conservation and engineering, education and community outreach, and energy policy. A program management section provides assistance in the areas of program planning and budgeting, contract management, federal grant management, and personnel support to assure compliance with state and federal regulations. The Energy Office is state lead for implementing plans for local government, commercial, and residential energy conservation, solar and renewable energy technologies and transportation.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	18.9	30.8	30.8
Other Non Appropriated Fund	9,704.7	882.7	882.7
Federal Funds	3,467.4	4,690.8	5.0
Subprogram Total	13,191.0	5,604.3	918.5
FTE Positions	18.1	17.1	17.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide technical assistance and facilitate market transformation in order to improve energy efficiency in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Households assisted with efficiency assistance.	695	1,250	800	800
● Schools and government buildings assisted with efficiency issues.	78	207	200	200
● Workshop/training attendance.	1,432	2,050	1,600	1,650
● Financial assistance provided (in millions).	5.0	3.4	4.7	4.4

- ◆ Goal 2 - To provide public education designed to foster better choices regarding energy use.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of consumers assisted.	9,100	21,010	15,000	15,000
● Number of unique visitors to web site.	N/A	30,415	30,000	30,000



**AGENCY SUMMARY**  
**GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY**

Manuel V. Cisneros, Director AFA  
 Contact: Patricia Campbell, Administrative Assistant (602) 542-3711  
 A.R.S. § 41-101

**Agency Mission:**

To ensure equal opportunity for over 35,000 state employees by administering and enforcing state and federal laws prohibiting discrimination based on race, color, sex, religion, national origin, age, and disability. The GOEO will assist state agencies/divisions in promoting equal opportunity in employment, appointments, and procurement practices conducted on behalf of the State.

**Agency 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.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	212.6	214.4	214.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	59.8	67.5	67.5
<b>Agency Operating Funds Total</b>	<b>272.4</b>	<b>281.9</b>	<b>281.9</b>
FTE Positions	4.0	5.0	5.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Reduce the State's risk of loss due to exposure to lawsuits relating to discrimination, sexual harassment, and non-compliance with EEOC and ADA employment guidelines.*

An analysis of agency Equal Opportunity Plans will be conducted to determine what agencies need assistance in complying with Federal and State rules, regulations, policies and procedures. Agencies that are not meeting federal minority employment criteria will be contacted. These agencies will be supplied with information regarding the federal employment criteria and offered assistance in locating a qualified candidate. Additionally, the GOEO will provide training on diversity issues.

**Strategic Issue Number: 2**

*Increase the ability of minorities to participate in state employment and on state Boards & Commissions.*

The GOEO will work with appropriate state agencies to contact minority organizations and communities to distribute information regarding state employment and appointment opportunities. They will also be provided with information regarding the state's employment application process. Application for state employment and resume submission will be encouraged. Contact will be made with all state agencies to assist them in addressing under-utilization.

**Strategic Issue Number: 3**

*Provide accurate and timely EEO-4 reports to the Federal Government.*

The GOEO will work with the Department of Administration to provide the Federal Government with an accurate and timely EEO-4 report. This

report is required by the Federal Government in order for the State to receive federal funds.

**Strategic Issue Number: 4**

*Provide staffing to the Governor's Arizona Equity Partners Committee.*

The GOEO Arizona Equity Partners promotes awareness of state procurement for women-owned and minority owned businesses. The Committee has reviewed various diversity issues for state government including education and training involving procurement programs. These meetings were designed to remove barriers and obstacles to greater participation by small, minority, and women-owned businesses in state procurement opportunities.

**Strategic Issue Number: 5**

*Provide coordination of alternative dispute resolution and mediation services to state agencies.*

The GOEO will work with appropriate state agencies to coordinate mediation or alternate dispute resolution sessions for current or former state employees. These non-financial mediations will review internal discriminatory workplace behavior, in order to resolve complaints based on factual circumstances. Mediation training will be provided to Equal Employment Opportunity liaisons within state agencies.

**Agency Goals and Performance Measures:**

- ◆ 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 & Referral Services

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of state agency Equal Employment Opportunity (EEO) plans submitted.	85	200	105	105
● Number of state agencies assisted in the preparation of agency-level Equal Employment Opportunity (EEO) Plans, and in efforts to reach workforce parity.	85	65	105	105
● Number of calls answered providing information and assistance regarding Equal Opportunity rules and regulations.	426	512	500	500

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of persons assisted with employment related complaints.	183	128	200	200
● Number of diversity training classes provided.	15	0	15	15
● Total training hours provided to state employees.	1,129	1,985	1,200	1,200

- ◆ Goal 3 - To achieve and maintain a culturally diverse state government workforce and ensure diverse representation on State Boards and Commissions.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of community organizations contacted by the Governors Office of Equal Opportunity to help facilitate the dissemination of information regarding employment opportunities.	205	227	250	250
● Number of community organizations contacted by Governors Office of Equal Opportunity to help facilitate the dissemination of information regarding positions on State Boards and Commissions.	223	261	250	250
● Contact with tribes, tribal members and off-reservation native Americans regarding employment, appointment and procurement opportunities with the state.	147	141	200	200
● Number of state agencies contacted by Governors Office of Equal Opportunity to ascertain their employment needs.	125	105	105	105

◆ Goal 4 - To enhance the growth and development of minority and women-owned business enterprises.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of minority/women-owned businesses contacted and provided with information regarding state contracting opportunities.	2,260	2,303	3,000	3,000
● Number of presentations and informational sessions regarding procurement opportunities.	35	37	40	40
● Number of minority/women-owned businesses referred to DOA procurement.	71	84	150	150

◆ Goal 5 - To provide alternative dispute resolution services to state agencies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of persons trained in mediation.	15	17	25	25
● Number of presentations concerning mediation services.	5	8	15	15
● Number of mediation sessions conducted as a result of Governors Office of Equal Opportunity.	0	0	25	25



**AGENCY SUMMARY  
STATE BOARD OF EQUALIZATION**

David Schweikert, Chairperson EQA  
 Contact: David Schweikert, Chairperson (602) 364-1601  
 A.R.S. § 42-16152

**Agency 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.

**Agency Description:**

The State Board is comprised of seventeen members, seven appointed by the Governor (including the Chairman) and five members from Maricopa and Pima counties, respectively. The Board's jurisdiction is primarily over locally assessed real and personal property in Maricopa and Pima counties. Under A.R.S. § 42-15105 supplemental role, the Board's authority extends to centrally assessed property statewide. 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 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	543.3	543.4	543.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>543.3</b>	<b>543.4</b>	<b>543.4</b>
<b>FTE Positions</b>	<b>8.0</b>	<b>8.0</b>	<b>9.0</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*Substantial increases in hearings*

The Board of Equalization is presently having substantial increases in hearings. The Board is preparing to hold hearings on evenings, Saturdays and the Columbus holiday, and does not anticipate the need for a supplemental in the 2003-2004 budget year. There is a concern over the 2004-2005 budget. The Maricopa County residential valuation roll will be coming off a two year freeze. A substantial increase in homeowner appeals with their higher costs will require a small supplemental.

**Strategic Issue Number: 2**

*Market conditions*

(August 2002) The Board is experiencing the greatest number of filings in its history; residential property petitions which have a higher unit cost are driving the increase. For the 2003 petition calendar the Board anticipates a substantial increase in disputes over the assessments of office space.

(August 2001) The Board is tracking a softening commercial real estate market which should increase valuation protests for the 2002 and 2003 appeal years. It still to early to determine the level of slow down or county Assessors policies with a market change. (Comments From 2000) The current real estate market conditions have created a stable property tax appeal environment. The true test of the quality of our automation and electronic filing will be during the next market down cycle, which inevitably will result in a substantial increase in the number of petitions. The art is estimating when these market conditions will change and will it happen at a time when the large accounting law and tax appeal firms are heavily committed to electronic filing.

**Strategic Issue Number: 3**

*Legislation*

There are serious discussions once again of revising the tax appeal calendar as well as the scope of counties under the Board's jurisdiction. If this were to occur, there would be new budgetary issues that would need to be addressed.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To reduce the cost attributed to petitions and hearings.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cost per parcel (in dollars).	24	16	12	16
● Parcels appeals received.	19,950	33,000	47,000	35,000

- ◆ Goal 2 - 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.



**AGENCY SUMMARY  
EXPOSITION AND STATE FAIR BOARD**

Gary Montgomery, Executive Director  
Contact: Wanell Costello, Special Projects Manager  
A.R.S. § 3-1001

CLA  
(602) 257-7120

**Agency Mission:**

To provide unlimited opportunity to celebrate Arizona's heritage, youth, industry, traditions, and future by bringing the entire community together.

**Agency Description:**

The Arizona Exposition and State Fair (AESF) is a 96-acre entertainment facility which showcases a variety of events including one of the pre-eminent state fairs in the country. AESF rents its facilities to a variety of tenants and promoters, including the Arizona National Livestock Show and the Maricopa County Fair. AESF provides a location to showcase industry, agriculture, education, and entertainment for the enjoyment of the citizens of Arizona.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ INTERIM EVENTS	1,542.5	5,548.5	5,498.6
➤ STATE FAIR	8,403.8	10,549.4	10,467.9
<b>Agency Total</b>	<b>9,946.3</b>	<b>16,097.9</b>	<b>15,966.5</b>

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	9,946.3	14,899.8	14,768.4
Other Non-Appropriated Fund	0.0	1,198.1	1,198.1
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>9,946.3</b>	<b>16,097.9</b>	<b>15,966.5</b>
<b>FTE Positions</b>	<b>186.0</b>	<b>186.0</b>	<b>186.0</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*The inadequacy of the existing Fairgrounds to properly showcase agriculture and other business interests in a growing state.*

**Strategic Issue Number: 2**

*The inadequacy of the existing Fairgrounds to accommodate the demand for parking and interim event use.*

**Strategic Issue Number: 3**

*The need to redesign the Fairgrounds to maximize the interim event use and revenue generation.*

**Program Mission:**

*To maximize incremental income during the non-fair period by providing quality facilities and services.*

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,542.5	5,548.5	5,498.6
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,542.5</b>	<b>5,548.5</b>	<b>5,498.6</b>
<b>FTE Positions</b>	<b>89.0</b>	<b>89.0</b>	<b>89.0</b>

**Program Goals and Performance Measures:**

◆ Goal 1 - To increase the number of non-fair rental days.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Non-fair rental days over previous year.	41	6	5	5
● New promoters requesting space.	17	5	15	15
● Repeat promoters annually.	44	50	55	58

◆ Goal 2 - To maximize the use of existing parking space.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Parking lot rentals.	17	16	18	20
● New strategic partners.	3	1	2	2

**CLA.2 PROGRAM SUMMARY  
STATE FAIR**

Contact: Wanell Costello, Special Projects Manager  
Phone: (602) 252-6771  
A.R.S. § 3-1003 to 3-1013, 11-258

**Program Mission:**

*To produce the pre-eminent state fair in the country, showcasing industry, business, entertainment, and agriculture.*

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

**CLA.1 PROGRAM SUMMARY  
INTERIM EVENTS**

Contact: Wanell Costello, Special Projects Manager  
Phone: (602) 252-6771  
A.R.S. § 3-1001 to 3-1013, 5-113

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

General Funds	0.0	0.0	0.0
Other Appropriated Funds	8,403.8	9,351.3	9,269.8
Other Non-Appropriated Fund	0.0	1,198.1	1,198.1
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>8,403.8</b>	<b>10,549.4</b>	<b>10,467.9</b>
<b>FTE Positions</b>	<b>97.0</b>	<b>97.0</b>	<b>97.0</b>

**Program Goals and Performance Measures:**

◆ Goal 1 - To develop partnerships with business, industry, community, and volunteer groups.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● New partners acquired.	1	1	2	1
● Exhibit space used by partners for business showcase (square feet).	6,300	0	10,000	20,000

◆ Goal 2 - To maximize all fair revenue sources.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● New revenue streams identified.	1	1	1	1
● New revenue received from alternative revenue sources (in dollars).	50,000	34,316	15,000	18,000

◆ Goal 3 - To increase midweek fair attendance.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Increase in Monday & Wednesday attendance.	19,443	13,634	15,000	17,000
● Fair attendance (in thousands).	1,079.5	1,067.5	1,001.0	1,001.0

◆ Goal 4 - To maximize the satisfaction of fair guests.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of guest service contacts.	N/A	360	400	300
● Improvements implemented.	2	2	3	3





**AGENCY SUMMARY**  
**GOVERNMENT INFORMATION TECHNOLOGY AGENCY**

Chris Cummiskey, Director and State CIO GTA  
 Contact: Christopher O. Muir, Planning (602) 364-4779  
 Oversight Manager  
 A.R.S. § 41-3501

**Agency Mission:**

To partner with state agencies and private sector organizations to improve information technology capabilities, both technical and human, to efficiently add value and improve delivery of public services for the people of Arizona.

**Agency Description:**

The Government Information Technology Agency (GITA) has broad authority for statewide information technology (IT) planning, oversight, coordination and consulting. The GITA Director serves as the Chief Information Officer for state government. GITA has responsibility to administer the state's Executive branch IT resources, including: establishing and maintaining statewide standards; serving as statewide coordinator; critically evaluating and approving/ disapproving agency IT plans; approving/disapproving IT projects with development costs over \$25,000; temporarily suspending the expenditure of monies if an IT project is at risk of failing to achieve its intended results or does not comply with state requirements; and establishing IT standards regarding accessibility to equipment and technology for citizens with disabilities. In addition, GITA provides IT consulting services to agencies and staff support for the Information Technology Authorization Committee (ITAC). ITAC is an executive, legislative, judicial and private sector committee which has planning and oversight responsibility for information technology projects over \$1 million in all three branches of state government.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,247.7	2,507.6	2,460.2
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>2,247.7</b>	<b>2,507.6</b>	<b>2,460.2</b>
FTE Positions	21.0	21.0	21.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Homeland Security--Using technology proactively to protect Arizona's citizens and secure the State's IT assets and data.*

Arizona is improving homeland security efforts by using technology for sharing critical information on physical and cyber threats, upgrading communications interoperability, and improving planning for business continuity planning and emergency response. Business Continuity Planning (BCP): Arizona's state agencies have developed plans for minimizing the impact of emergency situations on services through the development of business continuity plans. BCP and Disaster Recovery capabilities are mandatory building blocks for Homeland Security. GITA is also working with the state's data centers (DES, DOA and DPS) to implement disaster recovery plans that focus on distributed recovery, improved connectivity and redundancy. Statewide Infrastructure Protection Center (SIPC): GITA and DOA have implemented a Statewide Information Protection Center to send alerts, collect vulnerability information for prevention efforts, and provide early warnings to state agency personnel and other government

entities of cyber threats including computer viruses and network intrusions. As part of the State's IT Security policies, standards and procedures, it is the responsibility of agency CEOs and CIOs to report all cyber threats and intrusions to SIPC. Further, GITA, in partnership with the Governor's Office, the CIO Council and ADOA will be developing a statewide incremental cyber security improvement plan, which includes clarification of roles and responsibilities for a computer emergency response team (CERT) and the statewide security management function. GITA manages a web application (Technical Security Assessment - TeSA) that monitors agency compliance with the State's IT Security policies, standards, and procedures. This application also automatically collects and reports agency specific gap closure requirements. The enhanced system allows agencies to fill out the assessment online and then "submit" from the application. GITA will then be able to obtain "automated" reports. As a result of automated collection, security information will be consistent and complete. Finally, GITA will be able to aggregate the data and provide a statewide summary. Communications: The need to communicate efficiently when preparing and responding to emergency situations is extremely critical for first responders, state government and its citizens. Due to the significance of communications interoperability to support statewide emergency response, the state is addressing both long term microwave (radio and data) infrastructure enhancement requirements and tactical border radio communications gap closure needs. In collaboration with Homeland Security, DPS, DEM and local safety organizations, GITA is also providing consulting support services for three-digit N11 "one-call" resource centers (e.g., 211, 311, 511, and E911). In summary, Arizona state government recognizes that an efficient and interoperable information technology infrastructure is critical for sustaining viable continuity of government capabilities and will improve collaborative Homeland Security efforts for first responders, emergency management, safety, welfare and transportation functions.

**Strategic Issue Number: 2**

*Project Planning and Oversight--Improving project planning methodologies and reducing agencies' risks by monitoring large-scale projects.*

GITA endeavors to plan, coordinate, direct and monitor IT projects toward successful implementation. Project management training increases professionalism and ensures that benefits are realized and projects are delivered on time and on budget. To that end, GITA will be educating state agencies about the benefits of modern project management methods and techniques, including those developed by the Project Management Institute. Many of these projects cost millions of dollars and are of great strategic importance. Having a project miss its intended purpose or cost more than planned creates large financial and potential political problems for an agency. Additionally, GITA monitors large-scale and high-risk projects toward successful implementation using life cycle analysis. GITA reviews outstanding issues and makes recommendations for improvements or corrections. Focal points of the review include: project scope, management, roles, responsibilities, change control, cost containment and utilization of resources. These reviews help ensure the projects are being managed in an appropriate manner and that sound business practices are being followed from both IT and financial perspectives. Further, GITA is supportive of the Capability Maturity Model (used by many high performance application development organizations and vendors) and use of the Model on enterprise-wide or expensive projects. Finally, GITA will encourage agencies with large projects to hire independent third parties to monitor quality control and to report to GITA and ITAC. The costs for the independent quality control monitoring should be factored into the Project Investment Justifications (PIJ).

**Strategic Issue Number: 3**

*Technology Building Code--Advancing a common information technology architecture for State government.*

GITA is providing a "building code," commonly referred to as enterprise architecture (EA), for information technology to ensure that agencies will be able to use a common computing and network infrastructure to leverage economies of scale. Additionally, GITA is mapping statewide IT contracts to the enterprise architecture to ensure agencies can quickly and easily procure technology that meets the architectural standards.

Architectures facilitate change in an orderly, efficient manner by providing a "target" for the future, along with the principles, standards and best practices needed to arrive at the defined destination. E-government demands that state agencies cease operating as a large set of distinct silo organizations and begin interoperating with one another. A key element of success is for GITA to become more involved with IT contract oversight. GITA needs to align contracts with the enterprise architecture, provide updated standard terms and conditions, increase state contract management capabilities and identify statewide IT contract opportunities. Having these abilities in place will avoid costs of managing the IT infrastructure in the future.

**Strategic Issue Number: 4**

*E-Government--Saving money by letting customers serve themselves.*

E-government increases the public's accessibility to government and enables it to run more efficiently. It makes legacy system data more accessible to state knowledge workers and citizens. Further, it allows public transactions over the web and telephones. The State's goal is to provide accessible, reliable and cost-effective government services to Arizona's citizens electronically. GITA is leading this effort by: a) assessing State agency e-services requirements;b) architecting the framework to support both enterprise and distributed e-services delivery;c) developing standards for web-related initiatives; d) obtaining, developing and implementing an e-services framework; and e) promoting collaboration and communication among agencies and municipalities. Ultimately, the State will provide citizens and businesses with "one face" to Arizona government. The centerpiece of this initiative is the Arizona @ Your Service Web Portal. GITA is working closely with agencies to review their business functions and determine the feasibility of migrating selected functions to the Internet. The objective is to promote efficiency through the practicable use of technology – this, in support of the Governor's directives to reduce costs and improve service delivery to the public.

**Strategic Issue Number: 5**

*Telecommunications--Coordinating the build-out of broadband networks to all Arizona communities and preparing a Request for Proposal (RFP) that would outsource telecommunications services for state agencies.*

To aid in the deployment broadband services, the State is aggregating government needs and soliciting more demand through community involvement. This principle of aggregating government need in the larger context of community needs has been identified under the general banner of TOPAZ (Telecommunication Open Partnership of Arizona). In June 2001, the State solicited proposals from telecommunication carriers already under contract to connect approximately 545 schools and 100 government offices in 135 rural communities with broadband telecommunication services. This effort gave schools and government offices in rural communities a wide choice for broadband services at competitive pricing. To meet the needs of the individuals in these communities, cable operators formed an alliance under the name "First Mile Arizona" to further the reach of services to homes throughout the State. Few broadband purchases were made as a direct result of the original RFQ. However, since that effort, coupled with the efforts of "First Mile Arizona", a great deal of broadband development has taken place. HB 2533 required GITA, in consultation with ADOA, to develop an RFP for the outsourcing of state telecommunications services by October 31, 2003. This has been accomplished. The RFP allows for a statewide scalable, converged network. Finally, the RFP defines the scope and includes a roadmap that reflects Arizona's telecommunication vision for the next several years.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To leverage common IT resources and infrastructure to support homeland security initiatives, enhance efficiencies and improve quality of life for citizens.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of agencies maximizing bandwidth resulting in the leasing of fewer telecommunication lines.	22.5	N/A	60	N/A
● Percent of cities/towns with broadband access offered.	100	80	100	100
● Percent of approved agency project investment justifications (PIJs) with architectural elements that align with the technology targets.	N/A	40	60	70
● Percent of identified policies and standards that were revised or created.	60	60	50	50
● Percent of security policies and standards for Homeland Security completed.	50	95	100	100
● Number of pilot projects exploring geographic information system (GIS) use in counter-terrorism activities.	0	1	N/A	N/A
● Percent of cities/towns with broadband access deployed.	15	25	50	85

- ◆ Goal 2 - To increase E-Government solutions to better serve the public.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of transactions accessible through the web portal.	27	33	40	45

- ◆ Goal 3 - To improve IT functions to deliver quality products and services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration as a percent of total costs.	15.7	16.3	15.4	16.1
● Savings (cost avoidance) resulting from enterprise licensing agreements (in thousands).	3,600	N/A	N/A	N/A
● Percent of State employees working in the areas of data processing, computer programming and management of computer or data processing ranking the performance of GITA as "excellent."	50	53	60	65
● Percent of IT projects completed on time and within budget.	74	94	90	90
● Average number of calendar days to review information technology projects.	6	9	18	18
● Number of large-scale and high-risk projects that GITA directly oversees.	1	11	11	9



**AGENCY SUMMARY  
OFFICE OF THE GOVERNOR**

Janet Napolitano, Governor GVA  
 Contact: Alan Stephens, Operations Chief of Staff (602) 542-1371  
 Constitution Art. 5, Section 4

**Agency 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.

**Agency Description:**

The Governor serves as the Chief Executive Officer of 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 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	5,097.8	5,573.6	5,573.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	22,763.0	22,763.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>5,097.8</b>	<b>28,336.6</b>	<b>28,336.6</b>
FTE Positions	0.0	0.0	0.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Education.*

Early experiences form the foundation for learning. The Executive is initiating an Early Childhood Education plan. Included in this initiative is enhanced child care, health screening, and incremental implementation of full day kindergarten to be phased in over the next five years. Once our children enter the first grade, we must nurture their ability to read - and that means adopting a system-wide focus on reading literacy. The priority on education also includes supporting Arizona's teachers and students to receive the resources they need to succeed and adequately address enrollment growth and inflation ensuring that K-12 education is fully funded. Arizona will invest in education for our children - our human capital. If any of the reforms are to work, they will work because of the teachers. Therefore, the Executive proposes supporting the teachers who provide education to our youngest children, by offering scholarships so these teachers can improve their education. Support of education goes beyond K-12, and funding enrollment growth at the community colleges and universities will help with some of the current strains in our higher education institutions. Funding for faculty retention, and to address the shortage of nurses in Arizona is part of higher education support. A top-notch university system allows each person and business in Arizona to be a world class competitor.

**Strategic Issue Number: 2**

*Economic development.*

Arizona must support economic development drivers, so they can

continue to carry out the business of expanding economic opportunities and reduce the state's dependence on borrowing. Combining the human, physical and financial resources of the State of Arizona to drive economic development is the job of the Department of Commerce. Arizona will market to California companies seeking to relocate to a more business-friendly state. Support will also be provided to Arizona's rural communities to find resources that will allow them to upgrade their physical and human infrastructures. Trade with Mexico represents another tremendous opportunity to expand Arizona's economy and the Executive will continue to work hard with the Mexican President and Sonora Governor to further develop the Anamex Corridor and Cyberport capabilities. Another economic giant is the network of military bases and facilities in Arizona who provide 83,000 jobs and an economic impact of \$5.6 billion annually. The largest initiative recommended by the Governor's Task Force for Military Facilities is to establish the Military Installation Fund, which will support efforts to protect the encroachment of these bases and from future waves of base closings. The Governor's Council of Innovation and Technology recommended and will implement strategies to increase job creation in Arizona's technological sectors. More than 20 states have made similar investments, and Arizona must do the same to compete for the future.

**Strategic Issue Number: 3**

*Health and welfare.*

Arizona needs to invest in the our youngest and oldest citizens to provide the health and human services for those Arizonans who need it most, build a family-friendly environment that prevents abuse and neglect, along with other human infrastructure investments. No child is ready to succeed in life if he or she is not healthy, and low-income children are often the most susceptible to preventable illness. The School Readiness Board will develop a plan to ensure that all children are screened for health problems prior to entering preschool and kindergarten, so that hearing, vision and developmental issues can be identified early on. Arizona also needs to increase the number of children getting basic immunization. Additionally, starting on January 12, 2004, all Arizona seniors who are Medicare-eligible will receive a CoppeRx Card™ for prescription drug discounts. In contrast to the federal discount prescription drug card, the Arizona card is free, easy to understand, and carries more substantial discounts.

**Strategic Issue Number: 4**

*Public safety.*

On the home front, 2003 was a year in which Arizona turned considerable attention to homeland security. A homeland security plan was completed in the summer of 2003, and part of that plan was brought to life in November, when Arizona conducted a first-in-the-nation border security exercise with our counterparts in Mexico. A statewide mutual aid agreement amongst Arizona's fire departments also helped during fire season and will be vital to respond to any possible terrorist attack. A statewide 211 communication system will continue to be worked on to form a web of readiness and provide citizen information. Also an adequate law enforcement presence is highlighted in the Executive budget to ensure the safety of motorists on the highways continues to be maintained as more roads are built in Arizona to meet the needs of our expanding population. Arizona forests are suffering from the wilderness equivalent of the perfect storm: unrelenting drought, forest overgrowth stemming from years of policy decisions, and a major infestation of bark beetles. The result: unprecedented fire danger, putting people and property at risk. While most of Arizona's forest lands are federally controlled, everything that can be done should be done to protect people and property from wildland fire. This requires a financial and resource investment in Arizona's future. A plan was implemented to ensure that the most drought-prone communities have a supply of potable water, and in 2004 a long-term drought management plan will be released for the growing State of Arizona.

**Strategic Issue Number: 5**

*State employees.*

Any investment in human capital is not complete without investing in the

people who deliver the services - 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.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To provide leadership in working with the Legislature to adopt meaningful legislation that addresses the needs of the State of Arizona and its citizens.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Legislation signed by the Governor.	N/A	259	300	300

- ◆ Goal 2 - To improve the public's confidence in state government by appointing qualified leaders to key positions, as required by law, and ensuring that they efficiently and effectively execute their responsibilities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Appointments made within judiciary, executive branch, and boards and commissions.	N/A	921	600	600

- ◆ Goal 3 - To respond to requests for information and assistance from citizens and other jurisdictions in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of citizen requests responded to within 30 days.	N/A	91.58	93	95





**AGENCY SUMMARY  
HOUSING DEVELOPMENT AGENCY**

Sheila D. Harris, Ph.D., Director  
Contact: Carol Ditmore, Operations Administrator  
A.R.S. § 41-1505; 41-1512; 41-1518; 41-39

HDA  
(602) 280-1458

**Agency Mission:**

To provide housing and community revitalization to benefit the people of Arizona.

**Agency 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 unique and changing needs and to respond to those needs throughout the State. Creative solutions will be developed to be responsive to rural and urban areas as well as to special populations. As the population grows, the Agency will work toward sustaining current initiatives and simultaneously growing the options to respond to new demands for affordable housing.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ HOUSING DEVELOPMENT AGENCY	70,513.9	79,673.1	83,920.5
➤ HOUSING FINANCE AUTHORITY	251.6	1,379.3	1,386.1
<b>Agency Total</b>	<b>70,765.5</b>	<b>81,052.4</b>	<b>85,306.6</b>

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	438.8	432.2	400.0
Other Non-Appropriated Fund	13,777.5	23,057.9	25,698.1
Federal Funds	56,549.2	57,562.3	59,208.5
<b>Agency Operating Funds Total</b>	<b>70,765.5</b>	<b>81,052.4</b>	<b>85,306.6</b>
FTE Positions	54.0	56.0	56.0

**Strategic Issues**

**Strategic Issue Number: 1**

Currently have no strategic Issues

Arizona.

**Program 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 unique and changing needs and to respond to those needs throughout the State. Creative solutions will be developed to be responsive to rural and urban areas as well as to special populations. As the population grows, the Agency will work toward sustaining current initiatives and simultaneously growing the options to respond to new demands for affordable housing.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	438.8	432.2	400.0
Other Non-Appropriated Fund	13,525.9	21,678.6	24,312.0
Federal Funds	56,549.2	57,562.3	59,208.5
<b>Program Total</b>	<b>70,513.9</b>	<b>79,673.1</b>	<b>83,920.5</b>
FTE Positions	52.5	53.5	53.5

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide homeownership opportunities and a mix of rental options for Arizonans.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Total funds committed to homeownership programs including construction and acquisitions, rehabilitation of new and existing units, and first-time buyers. (rounded to thousands)	10,300	7,414	9,000	10,000
Need for homeownership products down due to low interest rates, and the availability of other, competitive products.				
• Total number of households assisted into homeownership through down payment and closing cost assistance, acquisition and rehabilitation of units for new homebuyers or new construction of new units.	413	180	272	303
Need for homeownership products down due to low interest rates, and availability of other low-interest products on the market.				
• Total funds committed to affordable rental units. (Numbers rounded to thousands).	87,900	96,534	90,100	92,800
• Total number of affordable rental units assisted/produced.	1,715	2,153	1,758	1,811
◆ Goal 2 - To recruit, retrain and maintain a qualified, professional work force.				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of agency turnover.	N/A	23	20	20

For 2003 JLBC established that the percent of staff turnover should remain less than 10%; however, after discussions about the small size of the agency with JLBC staff this was increased to a goal of 20% or less for FY 2004 and 2005. In FY2004 the agency realized a 23% turnover rate (which amounted to 11 staff).

<p>HDA.1 PROGRAM SUMMARY <b>HOUSING DEVELOPMENT AGENCY</b></p> <p>Contact: Carol Ditmore, Operations Administrator Phone: (602) 280-1458 A.R.S. § 41-1505; 41-1512; 41-1518</p>
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**Program Mission:**

To provide housing and community revitalization to benefit the people of

- ◆ Goal 3 - To maintain and further improve quality working relationships with our partners.



Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Results of customer satisfaction survey, with 7=excellent, 1=poor.	5.52	6.24	6.08	6.39

HDA.2                      PROGRAM SUMMARY  
**HOUSING FINANCE AUTHORITY**

Contact: Carol Ditmore, Operations Administrator  
 Phone: (602) 280-1458  
 A.R.S. § 41-3901 through 41-3912

**Program Mission:**

*To serve as a tool to augment the affordable housing goals of the Arizona Department of Housing for rural Arizona.*

**Program Description:**

To serve as a tool to augment the affordable housing goals of the Arizona Department of Housing, primarily through bond issuances to: (1) finance the development and sustainability of affordable rental units; and (2) promote homeownership opportunities, in rural Arizona.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	251.6	1,379.3	1,386.1
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>251.6</b>	<b>1,379.3</b>	<b>1,386.1</b>
FTE Positions	1.5	2.5	2.5

**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total funds available for homeownership program through bond issuances for Mortgage Revenue Bonds, Mortgage Credit Certificates or a combination of these two programs. (Numbers rounded to thousands)	N/A	2,556.1	3,000.0	4,000.0
● Total number of households assisted into homeownership through the homeownership program.	N/A	29	34	45
● Total number of rental projects approved.	N/A	1	4	6
● Total number of rental units created in approved rental projects.	N/A	268	400	600

<b>AGENCY SUMMARY</b>	
<b>JOINT LEGISLATIVE BUDGET COMMITTEE</b>	
Richard Stavneak, Director	JLA
Contact: A.R.S. § 41-1272	

**Agency 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 interests of the citizens of Arizona.

**Agency 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 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	724.0	2,096.1	2,096.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>724.0</b>	<b>2,096.1</b>	<b>2,096.1</b>
FTE Positions	31.0	31.0	31.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Expanded Information*

Current shortfalls in the state budget are resulting in increased demands for information about state agency budgets, revenue projections and budget-balancing options. Strategies for meeting this increased demand with existing staff resources are being explored and implemented.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To help the Legislature with sufficient staff support to enact budgets in a timely fashion and operate in a cost effective manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration as a percent of total costs.	11.0	12.9	11.9	11.9
● Survey of legislator satisfaction (4=high): all members.	3.61	3.47	3.48	3.49

- ◆ Goal 2 - To provide technically accurate budget materials, including budget analysis and budget related bill drafting.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of errors in the General Appropriation Act, Omnibus Reconciliation Bills, and other budget-related legislation.	0	1	0	0

- ◆ Goal 3 - To prepare timely fiscal notes.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Days to transmit fiscal notes.	18.2	24.4	14.0	14.0

- ◆ Goal 4 - To provide accurate economic and revenue forecasts.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Maximum percent revenues vary from forecasted revenues (15 month time horizon).	(13.2)	(5.2)	3.0	3.0





<b>AGENCY SUMMARY</b>	
<b>JUDICIAL SYSTEM</b>	
Hon. Charles Jones, Chief Justice	COU
Contact: Kevin Kluge, Budget Director	(602) 364-1395
See Individual Programs	

**Agency 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.

**Agency 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. It serves the citizens of Arizona. The Judicial Branch consists of the Supreme Court, Court of Appeals, Superior Court, and limited jurisdiction - municipal and justice of peace - courts. The Supreme Court and Court of Appeals are fully funded at the state level. The Superior Court is placed at the county level, but in addition to county funding, state funds are used to fund half of each Superior Court judge's salary. In addition, various programs that are implemented through each county's Superior Court receive various levels of funding from the state. Justices' of the Peace salaries are the funding responsibility of both the county in which they reside and the state.

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 (AJC), 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. The AJC is composed of 23 members, eight of which are public members. The remaining 15 members represent the various entities of the Arizona court community and the president of the Arizona State Bar. For more information go to Justice 2002 on our home Web page, <http://www.supreme.state.az.us/>.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADJUDICATION	2,952.8	3,695.3	3,916.2
➤ ADMINISTRATIVE SUPERVISION (COURTS AND AOC SUPPORT)	7,398.6	5,723.3	5,760.7
➤ REGULATORY ACTIVITIES	477.8	1,135.1	1,135.1
➤ COURT ASSISTANCE	20,897.6	26,863.2	29,088.2
➤ FAMILY SERVICES	4,804.5	5,266.8	5,603.1
➤ JUDICIAL NOMINATIONS AND PERFORMANCE REVIEW	326.8	281.3	345.6
➤ COMMISSION ON JUDICIAL CONDUCT	345.2	343.7	444.3
➤ JUDICIAL COMPENSATION	12,633.8	13,394.5	14,120.0
➤ ADULT PROBATION SERVICES	49,250.8	28,561.5	31,695.3
➤ JUVENILE PROBATION SERVICES	56,253.7	59,958.2	62,072.3
➤ COURT OF APPEALS DIVISION I	7,073.3	7,096.0	7,941.5
➤ COURT OF APPEALS DIVISION II	3,286.6	3,097.4	3,335.5
Agency Total	165,701.5	155,416.3	165,457.8

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	135,780.8	112,733.1	122,572.7
Other Appropriated Funds	22,502.9	35,585.8	35,787.7
Other Non-Appropriated Fund	7,417.8	7,097.4	7,097.4
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	165,701.5	155,416.3	165,457.8
FTE Positions	569.4	570.7	582.2

**Strategic Issues**

**Strategic Issue Number: 1**

*Protecting Children, Families, & Communities*

Courts protect Arizona's children, families, and communities by providing them an independent, neutral forum for resolving disputes; limiting the arbitrary use of government power to take their liberty, property, children, or life; and by dispensing justice in a fair and equitable manner. For example, the courts will better serve these groups by improving how children and families are served in family law matters; ensuring that juvenile detention facilities are available, safe, and secure; and delivering probation services that provide public protection and offender accountability.

**Strategic Issue Number: 2**

*Providing Access to Swift, Fair Justice*

Citizens, victims, litigants, and defendants deserve access to a fair and swift process for resolving civil or criminal disputes. The court system must help ensure that resources are adequate and that court procedures, policies, and practices are consistent with this goal.

**Strategic Issue Number: 3**

*Connecting With the Community*

Courts and judges should be independent and free of outside influence when deciding cases. Cases should be decided based on the law and case merits, regardless of the involved parties' economic or political status. However, judges can and should be involved in their communities. The Judicial Department will implement programs to improve how it listens to communities and establish effective methods of communication between citizens and the courts.

**Strategic Issue Number: 4**

*Being Accountable*

The court system must use taxpayer resources wisely and achieve desired results. This objective requires establishing and meeting court standards, linking performance with budget, maintaining ongoing strategic planning, and continuing judicial performance review.

COU.1                      PROGRAM SUMMARY  
**ADJUDICATION**

Contact: Kevin Kluge, Budget Director  
 Phone: (602) 364-1395  
 AZ Constitution, Article VI, Section 2; A.R.S.12-101

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• All cases terminated.	1,264	1,200	1,300	1,300
• Cases pending.	395	402	500	500
• New case filings.	1,227	1,190	1,250	1,250
• State Bar matters on file.	186	176	150	150
• State Bar matters terminated.	165	162	150	150
• State Bar activity reports.	1,098	1,280	1,000	1,000
• All other cases on file.	40	35	40	40
• All other cases terminated.	29	22	25	25

COU.2                      PROGRAM SUMMARY  
**ADMINISTRATIVE SUPERVISION (COURTS AND AOC SUPPORT)**

Contact: Dave Byers, Administrative Director  
 Phone: (602) 542-9307  
 AZ Constitution, Article VI, Sections 3, 7

**Program 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.*

**Program 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,952.8	3,695.3	3,916.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>2,952.8</b>	<b>3,695.3</b>	<b>3,916.2</b>
FTE Positions	45.2	45.5	47.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide fair and expeditious determination of cases. (Supreme Court activity is difficult to predict; estimates are based on FY 2000 activity level. Cases pending are as of 6/30.)

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• All cases on file.	1,659	1,602	1,800	1,800

**Program Mission:**

*To assist the Chief Justice in carrying out the constitutionally prescribed responsibility for providing administrative supervision over the integrated Arizona court system and support the Chief Justice and the Supreme Court in providing quality administrative leadership and assistance to Arizona's courts.*

**Program 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.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,398.6	3,723.3	5,760.7
Other Appropriated Funds	0.0	2,000.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>7,398.6</b>	<b>5,723.3</b>	<b>5,760.7</b>
FTE Positions	77.8	75.8	75.8

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To identify operational and administrative problems and recommend solutions and to uphold the integrity and independence of the judiciary.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Operational reviews completed.	12	12	12	12

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average cost per major operational problems and judicial conduct and/or criminal violations (dollars).	27,300	27,300	27,300	27,300
● Average cost per review (dollars).	21,980	22,000	22,000	22,000
● Average days to complete an operational review report.	90	90	90	90
● Average reviews per specialist.	6	6	6	6
◆ Goal 2 - To ensure that automation services are provided that support statewide programs and systems.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Supreme Court and external agency users connected to the operations unit.	4,000	4,500	5,000	5,000
● Operating budget to operations unit operating budget at level consistent with industry standards (percent).	1.7	1.8	1.8	1.8
● Cost per user (dollars).	931.77	844.44	760.00	N/R
● Uptime of operations unit during normal operating hours (percentage).	99	99	99	99
● Average days to resolve a Severity 1 (goal is 1 day).	1.0	1.0	1.0	1.0
● Average days to resolve a Severity 2 (goal is 2 days).	2.0	2.0	2.0	2.0

◆ Goal 3 - To provide accurate, prompt, and professional responses to questions concerning court operations and procedures through Court Answer Line.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Questions received.	600	600	600	600
● Percent of questions resolved within 48 hours.	85	85	85	85
● Cost per question (dollars).	80	80	80	80

**This Program Contains the following Subprograms:**

- ▶ Court Reporters
- ▶ Confidential Intermediary
- ▶ Private Fiduciary
- ▶ Defensive Driving School Regulation

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	392.4	1,049.7	1,049.7
Other Non-Appropriated Fund	85.4	85.4	85.4
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>477.8</b>	<b>1,135.1</b>	<b>1,135.1</b>
FTE Positions	12.3	12.8	12.8

COU.3.1 SUBPROGRAM SUMMARY  
**COURT REPORTERS**  
 Contact: Rhonda Kmett, Program Coordinator  
 Phone: (602) 364-0386  
 A.R.S. § 32-4001 et. seq.

**Subprogram Mission:**

*To certify individuals in the state who engage in the stenographic reporting of proceedings in any court and who take stenographic depositions for the use in any Arizona court.*

**Subprogram Description:**

Title 32, Chapter 40, Arizona Revised Statutes, requires (as of July 1, 2000) individuals who engage in stenographic reporting of proceedings for use in any court in this state be certified by the Board of Certified Court Reporters. The Board administers examinations for the certification of court 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 court reporters and to take appropriate disciplinary action. The program began during FY 2000.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	85.4	85.4	85.4
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>85.4</b>	<b>85.4</b>	<b>85.4</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To promptly process and review certification applications and reports for issuance, renewal or denial of certification

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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COU.3 PROGRAM SUMMARY  
**REGULATORY ACTIVITIES**  
 Contact: Nancy Swetnam, Division Director  
 Phone: (602) 364-0362  
 A.R.S. § 32-4001 et. seq.

**Program Mission:**

*To train, certify and monitor regulatory activities placed under the oversight of the Arizona Supreme Court.*

**Program 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.

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Applications received (new and renewal).	610	523	525	525
● Certifications issued.	609	522	524	524
● Certifications denied.	1	1	1	1
● Applications withdrawn.	40	0	0	0
● Non-renewal withdrawn.	0	0	0	0

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints received.	14	14	15	15
● Complaints dismissed.	6	4	5	5
● Disciplinary action.	3	1	5	5
● Number of days from receipt of complaint to resolution by dismissal or disciplinary action.	81	196	180	180

COU.3.2 SUBPROGRAM SUMMARY  
**CONFIDENTIAL INTERMEDIARY**

Contact: Susan Luebke, Program Coordinator  
 Phone: (602) 364-0357  
 A.R.S. § 8-134

**Subprogram Mission:**

*To train, certify and monitor Confidential Intermediaries (CIs) 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.*

**Subprogram Description:**

The program provides for a CI, as specified by the court, to act as 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, establishing fees, training, and standards of conduct for CIs with appropriate disciplinary action as necessary.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3.6	205.8	205.8
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	3.6	205.8	205.8
FTE Positions	2.0	2.0	2.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To promptly process and review applications for initial certification.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Counties with adoption records with CI coverage.	15	15	15	15
● Number of applicants for certification.	6	9	15	15
● Number of days from receipt of complete application requirements to decision regarding certification.	2	6	7	7
● Number of individuals granted certification.	6	9	15	15
● Number of individuals denied certification.	0	0	1	1
● CIs certified (end of year).	48	43	50	50

◆ Goal 2 - To promptly process and review applications for biennial renewal of certification.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of applications received.	13	10	15	15
● Number of individuals granted recertification.	13	10	15	15
● Number of individuals denied recertification.	1	0	1	1
● Percent of CI files reviewed for compliance with renewal requirements.	100	100	100	100
● Number of days from submission of complete renewal application to decision regarding renewal.	3	9	15	15

◆ Goal 3 - To provide initial training to individuals eligible for certification and renewal training for certified CIs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of individuals receiving initial training.	66	9	15	15
● Number of certified CIs receiving renewal training.	53	33	35	35
● Percent who rate the initial training "above average or better".	94	85	85	85
● Percent who rate the renewal training "above average or better".	95	95	95	95

◆ Goal 4 - To assist CIs to provide high quality service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cases opened.	177	196	200	200
● Cases closed.	227	245	250	250
● Percent of customers that rate CI service as professional.	85	85	85	85

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints received.	1	2	2	2
● Complaints dismissed.	0	2	1	1
● Disciplinary action.	1	0	1	1
● Number of days from receipt of complaint to resolution by dismissal or disciplinary action.	87	11	120	120

COU.3.3 SUBPROGRAM SUMMARY  
**PRIVATE FIDUCIARY**

Contact: Jo Rittenhouse, Program Manager  
Phone: (602) 364-0356  
A.R.S. § 14-5651

**Subprogram Mission:**

*To certify, train and audit private fiduciaries who are court appointed to serve incapacitated persons, protected persons and decedent estates.*

**Subprogram Description:**

A.R.S. § 14-5651 requires that fiduciaries who are appointed by the Superior Court must be certified by the Arizona Supreme Court. The program trains and certifies fiduciaries eligible for 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 both initial and biennial training, conducts investigations into alleged misconduct by fiduciaries and takes appropriate disciplinary action as necessary. The program conducts random audits of certified fiduciaries.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	8.8	222.5	222.5
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	8.8	222.5	222.5
FTE Positions	3.7	4.7	4.7

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To promptly process and review certification applications and reports for issuance or denial of initial certification.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of applications received.	91	91	75	75
● Number of individuals certified.	56	56	45	45
● Number of applications denied.	1	1	5	5

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of days from receipt of complete application requirements to decision regarding certification.	20	20	20	15
● Number of fiduciaries certified at end of year.	360	360	330	330

◆ Goal 2 - To promptly process and review applications for biennial renewal of certification.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of applications received.	333	N/A	300	300
● Number of individuals granted recertification.	261	N/A	300	300
● Number of applications denied recertification.	2	10	10	10
● Percent of fiduciary files reviewed for compliance with renewal requirements.	100	100	100	100
● Number of days from submission of complete renewal application to decision regarding renewal.	18	N/A	15	15

◆ Goal 3 - To provide initial training to individuals eligible for certification and renewal training, on a biennial basis, for certified fiduciaries.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of applicants receiving initial training.	55	100	100	100
● Number of certified fiduciaries receiving biennial training.	261	300	300	300
● Percent who rate the initial training "good or excellent".	90	90	90	90
● Percent who rate the renewal training "good or excellent".	85	85	85	85

◆ Goal 4 - To receive complaints, conduct impartial investigations and take appropriate action, ranging from dismissal of complaint to revocation of certification, in accordance with Arizona Revised Statutes and the code of conduct, administrative rules and orders adopted by the Arizona Supreme Court.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of complaints received.	31	32	4	4
● Number of complaints dismissed.	12	15	0	0
● Number of disciplinary actions.	3	3	2	2
● Number of days from receipt of complaint to resolution by dismissal or disciplinary action.	414	616	360	360

**COU.3.4 SUBPROGRAM SUMMARY**  
**DEFENSIVE DRIVING SCHOOL REGULATION**

Contact: Bob Schaller, Program Manager  
 Phone: (602) 364-0381  
 A.R.S. § 28-3391-3399

**Subprogram Mission:**

*To train, certify and monitor the use of defensive driving schools and defensive driving instructors by the Arizona courts.*

**Subprogram Description:**

Staff 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 Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	380.0	621.4	621.4
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	380.0	621.4	621.4
FTE Positions	6.6	6.1	6.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure defensive driving schools and instructors meet established standards for administrative and educational quality.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Schools reviewed in compliance.	2	2	3	4
● Percent of instructors rated that are in compliance.	100	100	100	100
● Average cost per instructor rating.	561	266	266	266

- ◆ Goal 2 - To ensure the statewide database provides accurate and timely information for eligibility and fee payment verification.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of normal hours database was available.	99	99	99	99
● Average days to complete error change requests from schools.	2	2	2	2
● Percent of student completions reported by schools on time.	98	96	98	98
● Court information change requests processed.	100	176	100	100

- ◆ Goal 3 - To provide continuing training opportunities for instructors to improve the quality of the defensive driving classes.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● New instructors completing training.	20	27	20	20
● Current instructors receiving ongoing training.	115	74	115	115
● Percent of instructors indicating training programs are responsive to their needs.	85	96	96	96

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of bi-monthly school reports/fee payments reconciled monthly.	100	100	100	100

**COU.4 PROGRAM SUMMARY**  
**COURT ASSISTANCE**

Contact: See individual subprograms,  
 Phone:  
 See Individual Programs

**Program Mission:**

*To aid Arizona courts in protecting children, families, and communities while providing swift, fair access to justice.*

**Program 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

General Funds	1,523.8	1,684.3	1,909.3
Other Appropriated Funds	16,474.7	22,166.9	24,166.9
Other Non-Appropriated Fund	2,899.1	3,012.0	3,012.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>20,897.6</b>	<b>26,863.2</b>	<b>29,088.2</b>
<b>FTE Positions</b>	<b>26.1</b>	<b>28.8</b>	<b>29.8</b>

**COU.4.1 SUBPROGRAM SUMMARY**  
**JUDICIAL EDUCATION**

Contact: Agnes Felton, Division Director  
 Phone: (602) 542-9431  
 Administrative Order 99-08

**Subprogram 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.*

**Subprogram 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.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	219.1	226.6	226.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>219.1</b>	<b>226.6</b>	<b>226.6</b>
<b>FTE Positions</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide continuing education to all members of the

judiciary.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of sessions offered to judges (limited, general and appellate jurisdictions).	18	119	130	130
• Number of sessions offered to probation, detention and surveillance officers.	19	130	130	130
• Number of sessions offered to judicial staff.	18	129	130	130
• Number of judges participating in Education Services Division sponsored programs.	210	658	650	650
• Number of probation, detention and surveillance officers participating Education Services Division sponsored programs.	461	370	400	400
• Number of judicial staff participating in Education Services Division sponsored programs.	1,831	1,472	1,500	1,500

- ◆ Goal 2 - To assure a comprehensive system of judicial education for all categories of personnel

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of educational hours offered to judges (limited general and appellate jurisdictions).	1,915.0	11,397.5	12,000.0	12,000.0
• Number of educational hours offered to probation, detention and surveillance officers.	551	14,369.5	14,500	14,500
• Number of educational hours offered to judicial staff.	475	14,689.5	14,500	14,500
• Percent of judges in compliance with annual continuing education mandate.	100	98.7	100	100
• Percent of probation, detention and surveillance officers in compliance with annual continuing education mandate.	99.99	98.8	100	100
• Percent of judicial staff in compliance with annual continuing education mandate.	99.99	98.6	100	100

- ◆ Goal 3 - To assure appropriate use of available resources to support a comprehensive system of judicial education

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of faculty used to train judges.	132	196	200	200
• Number of faculty used to train probation, detention and surveillance officers.	572	215	220	220
• Number of faculty used to train judicial staff.	208	186	200	200
• Percent of total faculty used paid for services to train judges.	0	1	2	2

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of total faculty used paid for services to train probation, detention and surveillance officers.	1.4	2	3	3
● Percent of total faculty used paid for services to train judicial staff.	1.9	4	4	4
● Cost per participant hours from total budget to train judges.	36.29	18.72	19	19
● Cost per participant hours from total budget to train probation, detention and surveillance officers.	9.87	10.03	11	11
● Cost per participant hours from total budget to train judicial staff.	9.38	12.31	13	13

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of seminars/workshops.	9	16	15	15
● Total number of conferences.	5	4	5	5
● Total number of residential programs.	13	9	9	9
● Total number of broadcasts.	4	3	4	4
● Total number of computer based programs.	559	320	400	400
● Total number of publications.	7	8	8	8
● Total number of WENDELL website "hits".	7,973	23,287	24,000	24,000
● Total number of materials checked out of resource library.	29	201	200	200

**Subprogram 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.*

**Subprogram Description:**

This program coordinates and supports the activities of the legislatively established Child Support Committee and Domestic Relations Committee. These committees are to 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	636.6	708.5	933.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>636.6</b>	<b>708.5</b>	<b>933.5</b>
FTE Positions	5.6	5.4	6.4

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide timely, effective administrative and technical support to the legislative co-chairs and committee members.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of time minutes were provided in 10 days & notice 2 weeks prior to meeting.	100	100	100	100
● Percent of quarterly subcommittee and annual committee reports completed on schedule.	100	100	100	100

◆ Goal 2 - To provide timely and effective administrative and technical support to domestic relations education on children's issues program administrators and providers and, 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Providers monitored.	26	60	60	60
● Percent of providers monitored in compliance with minimum standards.	100	100	100	100

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of time minutes were provided in 20 days & notice 2 weeks prior to meeting.	99	100	100	100

COU.4.2      **SUBPROGRAM SUMMARY**  
**DOMESTIC RELATIONS**

Contact: Karen Kretschman, Program Manager  
 Phone: (602) 542-9274  
 A.R.S. § 25-323.01



- ◆ Goal 4 - To provide on site monitoring and assessment of state and local proceedings and services related to domestic violence issues.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● State and local courts monitored and evaluated for proceedings and services following statutes and court rules.	6	18	21	21

- ◆ Goal 5 - To maintain the competence of judicial officers in the appropriate determination and effective management of domestic violence cases.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	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	100
● Percent of conducting at least one bi-annual statewide training conference specifically devoted to domestic violence issues.	100	100	100	100
● Appropriate judicial officers and court personnel educated in policies and procedures that help counties effectively address the needs of domestic violence victims.	190	190	190	200

COU.4.3 SUBPROGRAM SUMMARY  
**STATE GRAND JURY**

Contact: Kevin Kluge, Budget Director  
Phone: (602) 364-1395  
A.R.S. § 21-428(B)

**Subprogram Mission:**

*To provide for reimbursement of grand jury expenses as required by law.*

**Subprogram 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	105.7	108.8	108.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>105.7</b>	<b>108.8</b>	<b>108.8</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide for reimbursement of valid grand jury expenses, in accordance with Constitutional mandates.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Claims processed.	12	10	10	10

COU.4.4 SUBPROGRAM SUMMARY  
**POST CONVICTION RELIEF**

Contact: Kevin Kluge, Budget Director  
Phone: (602) 364-1395  
Laws 1996, Ch. 7, 7th Spec. Session

**Subprogram Mission:**

*To provide reimbursement to counties for state-funded representation of indigent defendants in first-time capital post conviction relief proceedings.*

**Subprogram 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	131.9	137.2	137.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>131.9</b>	<b>137.2</b>	<b>137.2</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide for reimbursement of valid post-conviction relief proceedings.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Claims processed.	29	7	7	7

COU.4.5 SUBPROGRAM SUMMARY  
**JUDICIAL ASSISTANCE**

Contact: Kevin Kluge, Budget Director  
Phone: (602) 364-1395  
AZ Const., Art. VI, Section 19, 20, A.R.S. 12-143, 38-813

**Subprogram Mission:**

To provide for reimbursement of judges pro tempore and retired judges called to serve in the superior and appellate courts of Arizona.

**Subprogram 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.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	12.0	84.7	84.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	12.0	84.7	84.7
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ 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.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Reimbursement provided.	87,400	25,000	25,000	25,000

**COU.4.6 SUBPROGRAM SUMMARY**  
**STATE AID TO THE COURTS**

Contact: Karen Kretschman, Program Manager  
 Phone: (602) 542-9274  
 Laws 1999, Chapter 346

**Subprogram Mission:**

To improve the processing of criminal cases in the Arizona Superior Court and Justices Courts.

**Subprogram 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 Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	418.5	418.5	418.5
Other Appropriated Funds	1,885.7	1,840.1	1,840.1
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	2,304.2	2,258.6	2,258.6
FTE Positions	0.3	0.4	0.4

**Subprogram Goals and Performance Measures:**

- ◆ 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 Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of counties conducting reengineering activities.	100	87	100	100
● Percent of counties' criminal cases processed within the 100 day target.	57	46	25	25

**COU.4.7 SUBPROGRAM SUMMARY**  
**JUDICIAL COLLECTION ENHANCEMENT**

Contact: Karen Kretschman, Program Manager  
 Phone: (602) 542-9274  
 A.R.S. § 12-116

**Subprogram 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.

**Subprogram 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.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	8,678.7	12,691.8	14,691.8
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	8,678.7	12,691.8	14,691.8
FTE Positions	10.6	13.2	13.2

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of annual increase in court revenue.	5	9.1	5	5
● Percent of annual increase in collection rates in participant courts.	25	N/A	25	25

◆ Goal 2 - To fund court automation projects likely to improve case processing or the administration of justice.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of all of the courts that have automated case and cash management systems.	100	100	100	100
• Percent of annual increase in overall court dispositions at all court levels.	6	4.3	6	6
• Clearance rate (dispositions/filings) for all cases at all court levels.	1.0	.976	1.0	1.0

◆ Goal 3 - To expedite the processing of grant requests in a cost-effective manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Mean cycle days receipt of request to court notification of approval/denial.	30	30	30	30
• Grant management budget as percent of total budget.	1.8	1.5	1.5	1.5

COU.4.8 SUBPROGRAM SUMMARY  
**DEFENSIVE DRIVING**

Contact: Karen Kretschman, Program Manager  
Phone: (602) 542-9274  
A.R.S. § 28-493

**Subprogram Mission:**

*To assist courts in enhancing case processing.*

**Subprogram 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.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3,748.8	4,603.9	4,603.9
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>3,748.8</b>	<b>4,603.9</b>	<b>4,603.9</b>
FTE Positions	3.5	3.5	3.5

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To develop automation systems to process all court cases.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of courts with a uniform statewide automation system.	81	81	82	82

COU.4.9 SUBPROGRAM SUMMARY  
**DRUG ENFORCEMENT**

Contact: Laura Stegmann, Program Specialist  
Phone: (602) 542-9467  
A.R.S. § 41-2402

**Subprogram Mission:**

*To support the court and its components in furtherance of the federal and state war on drugs.*

**Subprogram 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	2,727.1	2,738.0	2,738.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,727.1</b>	<b>2,738.0</b>	<b>2,738.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of sub-grantee financial reports and/or budgetary plans reviewed.	100	100	100	100
• Operational reviews conducted.	3	3	2	4
• Percent of operational reviews completed within prescribed time frame.	100	67	100	100
• Percent of follow-up reviews on non-compliance issues completed within prescribed time frame.	100	100	100	100
• Percent of budget modifications under \$25,000 processed within ten days from receipt.	100	100	100	100
• Percent of budget modifications over \$25,000 processed within twenty days from receipt.	100	N/A	100	100

- ◆ Goal 2 - To enhance the ability of the courts and probation departments to process drug related cases more expediently and effectively.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Average days drug case processing.	197	191	160	160
• Urinalysis test funded by DEA.	12,271	7,755	5,000	5,000
• Percent of quarterly financial and progress reports submitted according to schedule.	47	35	50	55
• Cases that are over 361 days to disposition.	2,783	2,036	2,000	1,900
• Community service hours completed (in thousands).	1,046.5	1,034.1	1,000.0	1,000.0

COU.4.10 SUBPROGRAM SUMMARY  
**ALTERNATIVE DISPUTE REGULATION**  
 Contact: Karen Kretschman, Program Manager  
 Phone: (602) 542-9274  
 A.R.S. § 12-135

**Subprogram Mission:**

*To promote the use of court-related alternative dispute resolution programs to increase access to the court system.*

**Subprogram 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. Grants will be discontinued in FY 2004; the funds will be used for developing educational programs instead (scholarships and conferences).

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	172.0	274.0	274.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>172.0</b>	<b>274.0</b>	<b>274.0</b>
FTE Positions	1.0	1.0	1.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To create, improve, maintain, or enhance alternative dispute resolution programs in superior court and justice of the peace courts.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Cases in grant funded programs (See above description).	3,589	6,256	0	0
• Percent of cases settled in grant funded programs referred to ADR.	70	72	0	0

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of participants satisfied rate in grant funded programs. In FY 2004 these funds will no longer be used for grants.	70	72	0	0

- ◆ Goal 2 - To expedite the processing of grant requests in a cost-effective manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Mean cycle days receipt of request to court notification of approval/denial. In FY 2004 these funds will no longer be used for grants.	30	30	0	0
• Grant management budget as percent of total budget.	7	7.3	0	0

COU.4.11 SUBPROGRAM SUMMARY  
**CASE PROCESSING ASSISTANCE**  
 Contact: Karen Kretschman, Program Manager  
 Phone: (602) 542-9274  
 A.R.S. § 41-2401.(D)(8)

**Subprogram Mission:**

*To enhance the ability of the courts to process criminal and delinquency cases.*

**Subprogram Description:**

The Case Processing Assistance Fund (CPAF) is used to enhance the courts' ability to process criminal and juvenile delinquency cases and processing 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.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,161.5	3,031.1	3,031.1
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,161.5</b>	<b>3,031.1</b>	<b>3,031.1</b>
FTE Positions	3.1	3.3	3.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To enhance the ability of courts to process juvenile delinquency cases.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent growth in filings.	(6.1)	(.67)	5	5
• Clearance rate (dispositions/filings) of 1.00 or greater annually.	.93	.95	1.0	1.0
• Months for disposition of pending cases.	6.0	2.9	6.0	6.0

◆ Goal 2 - To enhance the ability of the courts to process criminal cases.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent growth in filings.	2.7	6.0	5.0	5.0
● Clearance rate (dispositions/filings) of 1.00 or greater annually.	.93	.95	1.0	1.0
● Months for disposition of pending cases.	8.0	5.2	8.0	8.0

◆ Goal 3 - To expedite the processing of grant requests in a cost-effective manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Mean cycle days receipt of request to court notification of approval/denial.	30	30	30	30
● Grant management budget as percent of total budget.	1.5	1.0	1.7	1.7

COU.5.1 SUBPROGRAM SUMMARY  
**FOSTER CARE REVIEW BOARD**

Contact: Caroline Lantt-Owens, Program Manager  
Phone: (602) 542-9408  
A.R.S. § 8-515.01

**Subprogram 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.*

**Subprogram 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.

COU.5 PROGRAM SUMMARY  
**FAMILY SERVICES**

Contact: William Stanton, Acting Division Director  
Phone: (602) 542-9409  
A.R.S. § 8-515.01

**Program 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.*

**Program 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 Project (Model Court). Other services include operating a 24-hour 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 Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,559.2	1,864.1	1,998.5
Other Appropriated Funds	2,245.3	3,402.7	3,604.6
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>4,804.5</b>	<b>5,266.8</b>	<b>5,603.1</b>
FTE Positions	39.8	42.8	45.8

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,094.1	1,864.1	1,998.5
Other Appropriated Funds	0.0	235.7	235.7
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,094.1</b>	<b>2,099.8</b>	<b>2,234.2</b>
FTE Positions	35.1	38.0	41.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To ensure that each child has a plan for permanent placement.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Children eligible for review during the fiscal year.	6,044	6,688	6,170	6,067
● Children with plan for permanent placement.	5,142	5,353	5,234	5,209
● Percent of children reviewed.	100	100	100	100
● Percent of permanent placements achieved.	42	36	46	50

◆ Goal 2 - To establish, maintain and train sufficient volunteers to perform high quality case reviews.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● FTEs to support volunteers (Does not include Support Pool).	31.3	32.6	32.6	32.6
● Volunteers.	452	431	485	491
● Volunteers trained.	143	120	148	149
● Percent of volunteers meeting the yearly training requirement (Calendar year).	33	42	46	49
● Percent of volunteers exceeding the yearly training requirement (Calendar year).	32	39	32	26
● Percent of cases reviewed meeting the minimum quality standard.	68	65	67	67

◆ Goal 3 - To ensure that appropriate recommendations for foster care system needs are submitted to the Supreme Court, Legislature and Governor.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Recommendations made by State Board.	8	8	5	5
● Percent of State Board recommendations followed by the Supreme Court, Legislature and Governor, or other entities.	50	50	50	50

◆ Goal 4 - To provide accurate information to families in a caring, respectful manner

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Hotline Calls.	3,978	4,323	1,441	1,450

◆ Goal 5 - To increase public and agency awareness of the Parent Assistance Hotline

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Yellow Page referrals.	229	378	130	131
● Agency Referrals.	882	551	187	190
● Calls attributable to brochures (DES).	565	548	173	175
● Calls attributable to other advertising.	22	2,846	951	954

**Subprogram Mission:**

*To administer and monitor a community-based volunteer advocacy program in the Juvenile Court System for abused and neglected children.*

**Subprogram 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. § 8-522-8-523, 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,245.3	2,652.7	2,854.6
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,245.3</b>	<b>2,652.7</b>	<b>2,854.6</b>
FTE Positions	4.7	4.8	4.8

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To maintain an adequate number of certified volunteer advocates.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of volunteers during the year completing the required number of hours.	370	487	511	536
● Children eligible for CASA as of 6/30.	5,439	6,019	5,553	5,460
● Percent of number of volunteers serving during the year completing the required number of hours.	35	42	44	45
● Children with CASA assigned as of 6/30.	1,402	1,508	1,538	1,568
● Average number of in-service training hours volunteers received.	9.79	11.96	11.96	11.96

**COU.5.2 SUBPROGRAM SUMMARY  
COURT APPOINTED SPECIAL ADVOCATE**

Contact: Linda Wright, Program Manager  
Phone: (602) 542-9583  
A.R.S. § 8-522

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of volunteers as of 6/30.	857	896	913	931
● Volunteers serving during the year.	1,066	1,151	1,174	1,197
◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of files reviewed.	108	116	118	120
● Number of files reviewed.	111	120	122	124
● Percent of required items reviewed and found to be in compliance.	88	92	94	96
● Percent of required items reviewed and found to be in compliance.	97	100	100	100

**COU.5.3 SUBPROGRAM SUMMARY**  
**MODEL COURT - COURT IMPROVEMENT PROJECT**

Contact: Suzanne M. Johns, Program Coordinator  
 Phone: (602) 542-9416  
 A.R.S. § 8-824

**Subprogram 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.*

**Subprogram 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 Model Court - Court Improvement Project 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 statutes and improve their handling of dependency petitions. This also includes the implementation of Model Court operational reviews and expanding dependency data collection through the use of the Arizona Juvenile On-Line Tracking System, JOLTS.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	465.1	0.0	0.0
Other Appropriated Funds	0.0	514.3	514.3
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>465.1</b>	<b>514.3</b>	<b>514.3</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To reduce the time frame from removal to permanency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of petitions that met preliminary protective hearing requirements (within 5-7 days of removal).	78	84	95	95
● Average number of days to adjudication.	49	45	45	45
● Percent of petitions for which a permanency hearing was completed within 12 months of removal.	47	52	75	75

**COU.6 PROGRAM SUMMARY**  
**JUDICIAL NOMINATIONS AND PERFORMANCE REVIEW**

Contact: Eric Carlson, Division Director  
 Phone: (602) 542-9311  
 AZ Constitution, Article VI, Sections 36, 42

**Program 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.*

**Program 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 "preelection" 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	326.8	281.3	345.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>326.8</b>	<b>281.3</b>	<b>345.6</b>
FTE Positions	5.1	4.4	4.4

**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Applications received from minorities and women as a percent of all applications.	50	39	40	40
● Nominations of minorities and women as a percent of all nominations.	50	47	50	50
● Percent of nomination lists submitted to the Governor within the 60 day constitutionally set time line.	100	100	100	100

- ◆ Goal 2 - To efficiently meet their constitutional duties.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cost per appellate court vacancy (dollars).	3,000	3,078	3,250	3,400
● Cost per trial court vacancy (dollars).	950	673	1,100	1,100

- ◆ Goal 3 - To provide survey forms during each survey period for distribution to individuals who interact with a merit/retention judge.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Survey forms distributed.	60,000	6,941	81,772	7,000
● Survey forms returned.	35,000	2,623	38,000	38,000

- ◆ Goal 4 - To widely disseminate the results of the survey and review process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Pamphlets distributed (in thousands).	1,400.0	0	1,400.0	1,400.0
● Distribution sites.	2,027	0	2,000	0
● Public Service Announcements.	50	0	0	0
● Telephone Contacts.	195	30	200	30
● Website Hits.	12,327	8,000	13,000	8,000

COU.7                      PROGRAM SUMMARY  
**COMMISSION ON JUDICIAL CONDUCT**

Contact: Keith Stott, Executive Director  
 Phone: (602) 542-5200  
 AZ Constitution, Article VI.I

**Program Mission:**

*To investigate and resolve all complaints of judicial misconduct.*

**Program 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. The proceedings in less serious cases are handled informally and confidentially. In these cases the Commission can issue private letters of admonition or reprimand, require professional counseling, monitor a judge's conduct or impose various other conditions designed to correct or improve a judge's behavior.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	345.2	343.7	444.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>345.2</b>	<b>343.7</b>	<b>444.3</b>
<b>FTE Positions</b>	<b>5.0</b>	<b>5.0</b>	<b>6.0</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To investigate and resolve all complaints of judicial misconduct, in accordance with Constitutional mandates. (Commission activity is collected on a calendar year. The 2003 column reflects data collected through 9/30/2003.)

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Inquiries.	897	785	900	900
● Complaints.	353	266	370	370
● Formal and Informal Actions.	65	63	70	70

COU.8                      PROGRAM SUMMARY  
**JUDICIAL COMPENSATION**

Contact: Kevin Kluge, Budget Director  
 Phone: (602) 364-1395  
 AZ Constitution, Article VI, Section 9, A.R.S. 12-120

**Program Mission:**

*To fund the state portion of the salary and employee related expenses of Superior Court judges.*

**Program 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.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	12,633.8	13,394.5	14,120.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>12,633.8</b>	<b>13,394.5</b>	<b>14,120.0</b>
<b>FTE Positions</b>	<b>158.0</b>	<b>158.0</b>	<b>160.0</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide fair and expeditious determination of cases. (Court activity is difficult to predict; projections are based on FY 2000 activity level, which also is an estimate. Cases pending are as of 6/30.)

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• All cases on file.	370,346	398,197	390,000	390,000
• All cases terminated.	169,721	183,356	180,000	180,000
• Cases pending.	224,073	220,057	200,000	200,000
• New filings (includes transfer in cases).	181,680	191,943	190,000	190,000
• Other proceedings.	34,911	50,003	50,000	50,000

COU.9                      PROGRAM SUMMARY  
**ADULT PROBATION SERVICES**

Contact: Kathy Waters, Division Director  
Phone: (602) 542-9468  
A.R.S. § 13-901

**Program 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.*

**Program Description:**

Arizona's adult probation system is decentralized, with each of the fifteen county probation departments reporting directly to the presiding judge of the Superior Court in their respective county. The Adult Services Division of the Administrative Office of the Courts administers and oversees six major state funds which help support the adult probation system: Intensive Probation Supervision (IPS); Adult Standard Probation; Community Punishment Program (CPP); Drug Enforcement Account (DEA); Interstate Compact (ISC); and the Drug Treatment and Education Fund (DTEF). 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 probation officers, facilitates training events, conducts research and statistical

compilation, and provides technical assistance on a variety of probation related matters.

**This Program Contains the following Subprograms:**

- ▶ Standard Probation
- ▶ Intensive Probation
- ▶ Community Punishment
- ▶ Interstate Compact
- ▶ Drug Treatment and Education

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	45,127.0	22,731.1	25,864.9
Other Appropriated Funds	574.2	1,830.4	1,830.4
Other Non-Appropriated Fund	3,549.6	4,000.0	4,000.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>49,250.8</b>	<b>28,561.5</b>	<b>31,695.3</b>
<b>FTE Positions</b>	<b>27.2</b>	<b>28.7</b>	<b>28.7</b>

COU.9.1                      SUBPROGRAM SUMMARY  
**STANDARD PROBATION**

Contact: Kathy Waters, Division Director  
Phone: (602) 542-9468  
A.R.S. § 12-261

**Subprogram Mission:**

*To provide financial assistance to probation departments to promote public safety by the responsible supervision of probationers in the community.*

**Subprogram 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.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	23,564.2	11,110.2	12,670.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>23,564.2</b>	<b>11,110.2</b>	<b>12,670.7</b>
<b>FTE Positions</b>	<b>12.4</b>	<b>12.9</b>	<b>12.9</b>

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of county financial reports and/or budgetary plans reviewed.	100	100	100	100
● Operational reviews conducted.	3	3	2	4
● Percent of operational reviews completed within prescribed time frame.	100	67	100	100
● Percent of follow-up reviews on non-compliance issues completed within prescribed time frame.	100	100	100	100
● Percent of budget modifications under \$25,000 processed within ten days from receipt.	100	100	100	100
● Percent of budget modifications over \$25,000 processed within twenty days from receipt.	100	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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of standard probationers paying court-ordered restitution.	70	67	70	74
● Percent of standard probationers paying court-ordered probation fees.	64	49	64	66
● Percent of standard probationers completing court-ordered community service.	48	49	52	54
● Percent of standard probationers without petition to revoke filed.	77	76	78	80
● Percent of standard probationers not committed to DOC.	88	86	86	88
● Percent of standard cases receiving appropriate contacts.	86	63	70	75
● Percent of outstanding warrants addressed.	N/R	0	40	45

◆ Goal 3 - To assist in enhancement of education and training of probation officers and staff by providing regionalized and statewide training.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Certification Academies conducted.	4	3	4	4
● Regional training events.	23	96	50	60
● Percent of probation personnel in compliance with COJET requirements.	100	99	100	100

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of officers hired after July 1, 1995 who attended the Certification Academy within first year of employment.	100	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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of probation departments in compliance with 60:1 mandate.	100	87	100	100
● Percent of probation departments whose funding is primarily used for payment of probation officer salaries.	100	93	100	100

COU.9.2                      SUBPROGRAM SUMMARY  
**INTENSIVE PROBATION**

Contact: Kathy Waters, Division Director  
 Phone: (602) 542-9468  
 A.R.S. § 13-913 et. seq.

**Subprogram Mission:**

*To provide a sentencing alternative that provides surveillance, control and intervention to probationers 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, or serve as a sentencing alternative for Class 2 and 3 felons.*

**Subprogram 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.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	18,538.9	10,170.8	10,798.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>18,538.9</b>	<b>10,170.8</b>	<b>10,798.4</b>
FTE Positions	10.1	10.6	10.6

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of county financial reports and/or budgetary plans reviewed.	100	100	100	100
● Operational reviews conducted.	3	3	2	4
● Percent of operational reviews completed within prescribed time frame.	100	67	100	100
● Percent of follow-up reviews on non-compliance issues completed within prescribed time frame.	100	100	100	100
● Percent of budget modifications under \$25,000 processed within ten days from receipt.	100	100	100	100
● Budget modifications over \$25,000 processed within twenty days from receipt.	100	100	100	100

- ◆ Goal 2 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of eligible IPS probationers participating in an education program.	44	46	50	55
● Percent of eligible IPS probationers participating in a treatment program.	75	74	78	82
● Percent of IPS probationers maintaining full-time employment.	78	78	80	82
● Percent of IPS probationers without petition to revoke filed.	58	59	60	62
● Percent of IPS probationers paying court-ordered restitution.	72	81	81	81
● Percent of IPS probationers paying court-ordered probation fees.	80	71	73	75
● Percent of IPS probationers not testing positive for prohibited substance use.	76	74	76	78
● Percent of eligible IPS probationers completing required community service.	85	72	75	77
● Percent of IPS cases receiving appropriate contacts.	82	83	85	87
● Percent of IPS probationers not committed to DOC.	73	69	70	72

- ◆ Goal 3 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of probation departments in compliance with statutorily prescribed caseload.	73	73	100	100
● Percent of probation departments provided sufficient operating motor vehicles.	100	100	100	100

- ◆ Goal 4 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● IPS institutes conducted.	3	2	3	3
● Percent of IPS officers completing the institute.	100	100	100	100

**COU.9.3 SUBPROGRAM SUMMARY  
COMMUNITY PUNISHMENT**

Contact: Kathy Waters, Division Director  
Phone: (602) 542-9468  
A.R.S. § 12-299

**Subprogram 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.*

**Subprogram 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,708.5	891.5	1,789.1
Other Appropriated Funds	574.2	1,830.4	1,830.4
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	2,282.7	2,721.9	3,619.5
FTE Positions	1.2	1.3	1.3

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of county financial reports and/or budgetary plans reviewed.	100	100	100	100
● Operational reviews conducted.	3	3	2	4
● Percent of operational reviews completed within prescribed time frame.	100	67	100	100
● Percent of follow-up reviews on non-compliance issues completed within prescribed time frame.	100	100	100	100
● Percent of budget modifications under \$25,000 processed within ten days from receipt.	100	100	100	100
● Percent of budget modifications over \$25,000 processed within twenty days from receipt.	100	100	100	100

- ◆ Goal 2 - To promote public safety by assessing program placements in each department and gauge progress toward achievement of diversion from incarceration.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Offenders receiving CPP funded services.	12,660	5,660	5,660	5,800
● Prison diversions.	No Data	No Data	No Data	No Data
● Jail diversions.	No Data	No Data	No Data	No Data

- ◆ Goal 3 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Offenders receiving community punishment program (CPP) funded education services.	953	966	966	975
● Offenders receiving CPP funded substance abuse treatment services.	1,697	200	800	1,000
● Offenders receiving CPP funded urinalysis.	3,052	1,851	1,000	2,000
● Offenders receiving CPP funded sex offender treatment services.	964	394	550	600
● Offenders receiving CPP funded mental health treatment services.	26	77	55	70
● Offenders receiving CPP funded assessment and screening services.	1,548	382	550	600
● Offenders receiving CPP funded domestic violence treatment services.	94	27	60	75

FY 2003 Expropriation of \$1,722,900 resulted in a significant reduction of services.

**COU.9.4 SUBPROGRAM SUMMARY  
INTERSTATE COMPACT**

Contact: Dori Littler, Program Specialist  
Phone: (602) 542-2324  
A.R.S. § 31-461

**Subprogram Mission:**

To provide supervision and intervention to probationers transferring to Arizona and monitor the supervision of probationers transferred to other states from Arizona.

**Subprogram Description:**

The program provides for the supervision of probationers transferring between county probation departments in Arizona and probation departments in 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. The county probation departments provide supervision and intervention for these transferred probationers. County probation departments also maintain contact with probationers transferred from Arizona to other states. Probation officers monitor compliance with probation conditions by contacting the supervising probation officer in the other state and take action as deemed necessary. Probation officers in Arizona also collect court-ordered monetary assessments, including restitution and fines.

- ◆ Goal 2 - To facilitate the transfer and supervision of probation cases through the interstate compact.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of incoming cases processed within three days of receipt, as required.	94	96	96	96
● Percent of transfer investigation requests completed within forty-five days of receipt, as required.	86	57	61	70
● Percent of outgoing cases processed within five days of receipt, as required.	99	99	99	99
● Percent of reports completed on time (initial, annual and where applicable, violation and discharge).	No Data	92	92	92
● Percent of victim assistance fund payments collected.	59	54	55	57

COU.9.5 SUBPROGRAM SUMMARY

**DRUG TREATMENT AND EDUCATION**

Contact: Kim O'Connor, Treatment Manager  
 Phone: (602) 542-9558  
 A.R.S. § 13-901.02

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	1,315.4	558.6	606.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	1,315.4	558.6	606.7
FTE Positions	3.5	3.9	3.9

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of county financial reports and/or budgetary plans reviewed.	100	100	100	100
● Operational reviews conducted.	3	3	2	4
● Percent of operational reviews completed within prescribed time frame.	100	67	100	100
● Percent of follow-up reviews on non-compliance issues completed within prescribed time frame.	100	100	100	100
● Percent of budget modifications under \$25,000 processed within ten days from receipt.	100	100	100	100
● Percent of budget modifications over \$25,000 processed within twenty days from receipt.	100	100	100	100

**Subprogram Mission:**

To provide treatment and education services to substance abusing probationers.

**Subprogram 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.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	3,549.6	4,000.0	4,000.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	3,549.6	4,000.0	4,000.0
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of county financial reports and/or budgetary plans reviewed.	100	100	100	100
● Operational reviews conducted.	3	3	2	4

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of operational reviews completed within prescribed time frame.	100	67	100	100
● Percent of follow-up reviews on non-compliance issues completed within prescribed time frame.	100	100	100	100
● Percent of budget modifications under \$25,000 processed within 10 days from receipt.	100	100	100	100
● Percent of budget modifications over \$25,000 processed within 20 days from receipt.	100	100	100	100
◆ Goal 2 - To assess substance abusing probationers to determine an appropriate level of care to be recommended.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of DTEF probationers assessed using the Adult Substance User Survey (ASUS).	98	87	95	97
● Percent of probationers receiving recommended treatment.	84	82	84	86
● Percent of DTEF contracted substance abuse treatment providers employing research-based effective methodology.	100	97	100	100
◆ Goal 3 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of probationers successfully completing DTEF subsidized treatment.	28	42	50	54
● Percent of probationers completing DTEF subsidized treatment who did not have petition to revoke filed.	74	83	83	85
● Percent of probationers completing DTEF subsidized treatment who were not committed to DOC.	93	98	95	97
● Percent of probationers completing DTEF subsidized treatment not testing positive for prohibited substance use.	67	77	75	77
● Percent of probationers completing DTEF subsidized treatment not convicted of new charge for personal possession or use of controlled substance.	90	99	90	90

COU.10 PROGRAM SUMMARY  
**JUVENILE PROBATION SERVICES**

Contact: Frank Carmen, Division Director  
Phone: (602) 542-9450  
A.R.S. § 8-201

**Program 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.*

**Program 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 Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	52,553.7	54,822.1	56,936.2
Other Appropriated Funds	2,816.3	5,136.1	5,136.1
Other Non-Appropriated Fund	883.7	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	56,253.7	59,958.2	62,072.3
FTE Positions	33.4	35.6	35.6

COU.10.1 SUBPROGRAM SUMMARY  
**STANDARD PROBATION**

Contact: Fred Santesteban, Program Manager  
Phone: (602) 542-9456  
A.R.S. § 8-203

**Subprogram Mission:**

*To improve, maintain or expand juvenile probation services to ensure proper supervision of youth on probation.*

**Subprogram 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.

COU.10.2 SUBPROGRAM SUMMARY  
**INTENSIVE PROBATION**  
 Contact: Fred Santesteban, Program Manager  
 Phone: (602) 542-9456  
 A.R.S. § 8-351

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,883.7	8,341.6	9,183.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	883.7	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	7,767.4	8,341.6	9,183.8
FTE Positions	3.6	3.8	3.8

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To ensure proper supervision of youth on probation.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of juvenile probation departments in compliance with mandated case load ratios of 35:1.	100	100	100	100
● Percent of youth who complete their term of probation without a referral, i.e. successful completion.	75	75	75	75
● Percent of juvenile probation departments (15) undergoing on-site visits.	100	87	100	100

◆ Goal 2 - To manage and monitor the efficient and effective allocation and distribution of state appropriated funds.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of budget modifications reviewed and approved within two weeks.	100	100	100	100
● Percent of juvenile courts (15) whose plans are reviewed and approved.	100	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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of juvenile probationers ordered to pay restitution, who pay.	70	60	65	70
● Percent of juveniles ordered to pay probation fees, who pay.	65	56	60	70

**Subprogram 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.*

**Subprogram 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 youthful 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.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	12,494.2	13,236.4	13,984.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	12,494.2	13,236.4	13,984.8
FTE Positions	5.2	5.5	5.5

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To ensure the proper level of intensive supervision of high risk probationers .

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of JIPS case load monthly reports reviewed.	100	100	100	100
● Percent of juvenile probation departments (15) visited.	100	87	100	100
● Percent of county JIPS programs (15) receiving informal on site monitoring reports.	100	87	100	100
● Percent of departments exceeding 95% compliance with contact standards as measured in quarterly performance audits.	93	93	100	97

- ◆ Goal 2 - To ensure that JIPS officers are trained and meet established standards.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of JIPS officers passing initial academy testing.	100	100	100	100

- ◆ Goal 3 - To manage and monitor the effective and efficient allocation and distribution of state appropriated funds.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of budget modifications reviewed and processed within two weeks of receipt.	100	100	100	100
● Percent of juvenile courts (15) whose plans and budgets are reviewed and approved.	100	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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Biennial longitudinal study of JIPS effort conducted.	1	0	0	0
● Percent of JIPS youth who complete JIPS without a referral, i.e., successful completion.	70	70	70	70

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of the juvenile intensive probationers ordered to pay restitution who are paying.	60	50	65	70
● Percent of the juvenile intensive probationers ordered to pay probation fees who are paying.	60	47	60	65

COU.10.3      SUBPROGRAM SUMMARY  
**TREATMENT SERVICES**

Contact: Donna Noriega, Program Manager  
 Phone: (602) 542-9451  
 A.R.S. § 8-322

**Subprogram 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.*

**Subprogram 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 for the Progressively Increasing Consequences program was transferred from Juvenile Treatment Services in FY 1998 to its own special line item.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	23,301.4	23,315.6	23,411.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>23,301.4</b>	<b>23,315.6</b>	<b>23,411.7</b>
FTE Positions	19.7	20.6	20.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To audit and evaluate treatment programs for contract compliance and effective service delivery.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Service contractors audited for compliance with program standards.	75	53	75	75
● Percent of contractors monitored in satisfactory compliance with established program standards (70%+).	90	90	90	90
● Average cost per contract to audit (dollars).	500	578	600	600
● Average hours per contract to audit and write report.	17	19.2	19	19

- ◆ Goal 2 - To provide a comprehensive array of services and interventions for youth on probation.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Youth served.	23,000	23,736	24,000	24,000
● Youth provided out of home services.	1,200	1,337	1,500	1,500
● Youth provided day support services.	1,000	125	125	125
● Youth provided counseling intervention.	15,000	13,038	14,000	14,000
● Youth provided drug testing.	15,000	15,648	15,000	15,000
● Youth provided evaluations and other services.	5,000	4,121	5,000	5,000



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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Youth provided educational and vocational services.	5,000	11,202	11,000	11,000
● Percent of youth who don't re-offend within 12 months of program completion.	60	60	60	60
● Percent of youth with successful outcomes in functional family therapy.	60	33	60	60
● Percent of youth with successful outcomes in Family Preservation.	77	61	65	65
● Percent of youth with successful outcomes in high impact residential.	50	81	80	80
● Percent of youth with successful outcome in violence intervention programs.	50	75	75	75

**COU.10.4 SUBPROGRAM SUMMARY**  
**FAMILY COUNSELING**  
 Contact: Sonya Pierce-Johnson, Program Specialist  
 Phone: (602) 542-9455  
 A.R.S. § 8-261 et seq.

**Subprogram Mission:**

*To oversee the development of programs for families in crisis which strengthen family relationships and reduce juvenile delinquency.*

**Subprogram 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.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	606.3	660.4	660.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>606.3</b>	<b>660.4</b>	<b>660.4</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure services are available through the local juvenile courts for families in crisis.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Juvenile courts assisted in the development of approved family plans .	15	15	15	15
● Families served .	3,200	2,136	1,922	1,922
● Average cost per family (dollars).	325	325	293	293
● Average age of youth participating in program.	15	14	14	14
● Average sessions per family.	8	6	6	6

**COU.10.5 SUBPROGRAM SUMMARY**  
**PROGRESSIVELY INCREASING CONSEQUENCES (PIC-ACT)**  
 Contact: Donna Noriega, Program Manager  
 Phone: (602) 542-9451  
 A.R.S. § 8-321

**Subprogram Mission:**

*To ensure accountability by administering a comprehensive array of consequence programs for youth diverted from the formal court process.*

**Subprogram 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. The funding for this program was transferred in FY 1998 from the Juvenile Treatment Services Special Line Item to a newly created Progressively Increasing Consequences Special Line Item.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,268.1	9,268.1	9,695.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>9,268.1</b>	<b>9,268.1</b>	<b>9,695.5</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure diversion eligible referrals are processed in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of juveniles with an intake interview within 30 days of receipt of referral by the juvenile court.

- ◆ Goal 2 - To promote victim and community restoration by holding diversion youth accountable for their assessed financial obligations.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of diversion youth assessed restitution, who pay.	70	43	70	70
● Percent of parents of diversion youth assessed one-time parental assessment fee, who paid.	70	66	70	70

- ◆ Goal 3 - To ensure consequences are successfully completed.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of Community Work Service case closures that were successfully completed.	87	86	87	87
● Percent of Counseling case closures that were successfully completed.	80	84	84	84
● Percent of Delinquency Prevention Education case closures that were successfully completed.	89	85	89	89
● Percent of Substance Abuse Education case closures that were successfully completed.	85	92	90	90
● Percent of Non-Residential Rehabilitation or Supervision case closures that were successfully completed.	90	93	93	93
● Percent of diversion programs showing a minimum of 15% positive change between pre and post test.	83	95	95	95

**Subprogram 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.*

**Subprogram 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.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,816.3	5,136.1	5,136.1
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,816.3</b>	<b>5,136.1</b>	<b>5,136.1</b>
FTE Positions	4.9	5.7	5.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To manage and monitor the distribution of JCRF grant funds.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of on-site monitoring visits conducted (non-random sample).	99	99	99	99
● Percent of programs in compliance with financial requirements.	99	99	99	99
● Percent of programs in compliance with program requirements.	99	99	99	99

COU.10.6 SUBPROGRAM SUMMARY  
**JUVENILE CRIME REDUCTION**  
 Contact: Lynn Wiletsky, Program Manager  
 Phone: (602) 542-9309  
 A.R.S. § 41-2401D.5

◆ Goal 2 - To promote the development of promising community-based programs for youth.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Local programs funded.	20	20	18	18
● Youth served in local programs.	18,300	22,000	20,000	20,000
● Formal evaluations conducted (non-random sample).	1	1	1	1
● LEARN labs.	36	37	38	38

◆ Goal 3 - To oversee the distribution of federal education monies to the counties for juvenile detention education services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Counties receiving funds.	15	15	15	15
● Juveniles served.	12,789	9,500	10,000	10,500
● Percent of on-site fiscal and program audits conducted.	50	50	50	50
● Percent of programs audited in compliance.	99	99	99	99

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Operational reviews conducted.	5	5	5	5
● Percent of departments reviewed that are in compliance.	99	99	99	99

◆ Goal 5 - To support the administration and programs of the Arizona juvenile court system.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Automation projects funded.	6	4	3	2
● Loss prevention issues addressed in detention centers.	5	4	4	4
● Community Advisory Board programs funded.	7	9	10	10

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 Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,073.3	7,096.0	7,941.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>7,073.3</b>	<b>7,096.0</b>	<b>7,941.5</b>
<b>FTE Positions</b>	<b>103.5</b>	<b>98.8</b>	<b>100.8</b>

**Program Goals and Performance Measures:**

◆ Goal 1 - To provide fair and expeditious determination of cases. (Court activity is difficult to predict; projections are based on FY 2000 activity level. Cases pending are as of 6/30.)

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● All cases on file.	4,441	4,718	4,718	4,718
● All cases terminated.	2,510	2,585	2,585	2,585
● Cases pending.	1,931	2,133	2,133	2,133
● New case filings.	2,596	2,749	2,749	2,749

COU.12 PROGRAM SUMMARY  
**COURT OF APPEALS DIVISION II**

Contact: Jeff Handler, Clerk of the Court  
Phone: (520) 628-6954  
A.R.S. § 12-120 et. seq.

**Program Mission:**

*To provide an independent and accessible intermediate appellate court in accordance with Constitutional mandate.*

**Program 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 Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,286.6	3,097.4	3,335.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>3,286.6</b>	<b>3,097.4</b>	<b>3,335.5</b>
<b>FTE Positions</b>	<b>36.0</b>	<b>34.5</b>	<b>35.5</b>

**Program Goals and Performance Measures:**

COU.11 PROGRAM SUMMARY  
**COURT OF APPEALS DIVISION I**

Contact: Philip G. Urry, Clerk of the Court  
Phone: (602) 542-4821  
A.R.S. § 12-120 et. seq.

**Program Mission:**

*To provide an independent and accessible intermediate appellate court in accordance with Constitutional mandate.*

**Program 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

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● All cases on file.	2,047	2,057	2,100	2,100
● All cases terminated.	1,019	873	1,050	1,050
● Cases pending.	1,060	1,192	1,250	1,250
● New case filings.	1,006	964	1,000	1,100



**AGENCY SUMMARY  
LEGISLATIVE COUNCIL**

Michael Braun, Executive Director LCA  
 Contact: Elizabeth Johnston, Research Analyst (602) 542-4236  
 A.R.S. § 41-1301 to 1307

**Agency Mission:**

To provide quality legal, research, computer and administrative services to the Arizona Legislature.

**Agency 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 operation of the legislative computer system.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ LEGISLATIVE COUNCIL	3,708.8	3,685.0	3,685.0
➤ OMBUDSMAN CITIZENS AIDE OFFICE	356.0	363.2	363.2
Agency Total	4,064.8	4,048.2	4,048.2

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,064.8	4,048.2	4,048.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	4,064.8	4,048.2	4,048.2
FTE Positions	48.0	47.8	47.8

**Strategic Issues**

**Strategic Issue Number: 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.

**Strategic Issue Number: 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 2003 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 production and distribution of LC's publications, The Bill Drafting Manual and The Legislative Manual, should help users better understand who LC is and what LC does.

**Strategic Issue Number: 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 PROGRAM SUMMARY  
LEGISLATIVE COUNCIL**

Contact: Michael Braun, Executive Director  
 Phone: (602) 542-4236  
 A.R.S. § 41-1301 to 1307

**Program Mission:**

*To provide quality legal, research, computer and administrative services to the Arizona Legislature.*

**Program 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,708.8	3,685.0	3,685.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	3,708.8	3,685.0	3,685.0
FTE Positions	43.0	42.8	42.8

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide timely and accurate processing of all work products.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
◆ Percent of positive survey ratings regarding timeliness of legal research.	96	93	94	95

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of positive survey ratings regarding accuracy of legal research.	97	96	97	98
● Percent of positive survey ratings regarding timeliness of bill drafting.	95	95	96	97
● Percent of positive survey ratings regarding accuracy of bill drafting.	95	94	95	96

◆ Goal 2 - To increase awareness of Legislative Council's functions among legislators, legislative staff, state agencies and lobbyists.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of survey respondents indicating awareness of Legislative Council's legal research function.	88	87	88	89
● Percent of survey respondents indicating awareness of Legislative Council's bill drafting function.	99	99	99	99

◆ Goal 3 - To increase the comfort level of all legislative computer users through training and support.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of positive survey ratings regarding timeliness of computer help desk.	94	91	92	93
● Percent of positive survey ratings regarding accuracy of computer help desk.	94	89	90	92
● Percent of legislative computer users indicating training is helpful.	89	88	89	90

investigation. The Office provides reports of its activities to the legislature, governor and public.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	356.0	363.2	363.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>356.0</b>	<b>363.2</b>	<b>363.2</b>
FTE Positions	5.0	5.0	5.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To help more citizens redress their legitimate grievances with state agencies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of individuals assisted.	2,843	3,415	3,100	3,200

◆ Goal 2 - To respond to citizen complainants in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of citizens responding "strongly agree" or "agree" to timeliness question on customer satisfaction survey.	90	93	91	91
● Percent of investigations completed within 3 months.	90	94	90	90
● Percent of notices of investigation sent within 30 days.	100	100	100	100
● Percent of initial responses to citizen inquiries made within two business days.	99	99	98	98

◆ Goal 3 - To prevent recurrence of similar complaints by identifying and correcting patterns of undesirable administrative practices.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of recommendations accepted by agencies.	92	86	90	90

◆ Goal 4 - To provide courteous and impartial service to citizens.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of citizens responding "strongly agree" or "agree" to impartially question on the customer satisfaction survey.	92	98	92	92
● Percent of citizens responding "agree" or "strongly agree" to courtesy question on survey.	99	99	96	96



LCA.2 PROGRAM SUMMARY  
**OMBUDSMAN CITIZENS AIDE OFFICE**

Contact: Patrick Shannahan, Ombudsman-Citizens' Aide  
 Phone: (602) 277-7292  
 A.R.S. § 41-1371 et. seq.

**Program Mission:**

*To improve the effectiveness, efficiency and responsiveness of state government by receiving public complaints, investigating the administrative acts of state agencies and, when warranted, recommending fair and appropriate remedies.*

**Program Description:**

The Office of the Ombudsman-Citizens' Aide is a five 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

**AGENCY SUMMARY**  
**ARIZONA STATE LIBRARY, ARCHIVES, AND PUBLIC RECORDS**

GladysAnn Wells, Director LAA  
 Contact:  
 A.R.S. § 41-1331 through §41-1352

**Agency Mission:**

To serve the Arizona Legislature and Arizonans by providing public access to public information, fostering historical/cultural collaborative research and information projects, and ensuring that Arizona's history is documented and preserved.

**Agency Description:**

The Arizona State Library, Archives and Public Records provides information services as authorized by law. Research and reference services are provided in the subject areas of law, government, 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 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 disposed of through archival retention programs. Exhibits are created to educate the public regarding government-related history and the legislative process. These services are provided through the divisions of the Agency: History and Archives, Braille and Talking Book Library, Library Development, Museum, Records Management, and Research and Law Library.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,723.3	6,552.4	6,552.4
Other Appropriated Funds	310.3	426.1	426.1
Other Non-Appropriated Fund	680.3	680.3	680.3
Federal Funds	2,759.5	2,759.5	2,759.5
<b>Agency Operating Funds Total</b>	<b>10,473.4</b>	<b>10,418.3</b>	<b>10,418.3</b>
FTE Positions	120.4	120.4	120.4

**Strategic Issues**

**Strategic Issue Number: 1**

*Resource Development*

Library and Archives has raised over \$17 million dollars in grant funds for Arizona cultural institutions and for its own services. In the future, despite the continued downturn of the economy and the difficulties of fund raising, we will continue our efforts to seek outside funds. Although general operating funds must come from governmental sources (state general fund and federal IMLS funds), private and other governmental funds will be sought for special projects or pilot projects. The most significant fund raising effort will center around the development of an endowment for our historic buildings' preservation and maintenance. Library and Archives operates from three historic buildings and two other structures with age related repair and renovation needs. The agency will seek new ways to expand fiscal resources and make more effective use of existing resources. New partnerships may be explored.

**Strategic Issue Number: 2**

*Infrastructure*

Library and Archives operates from three historic buildings and from two

other structures with age-related repair and renovation needs. In addition, the state has needed an Archive and History building for over fifty years. Across the state artifacts, archives and state and local governmental materials are deteriorating and often lost to pests and poor storage conditions. This material is irreplaceable, and we will continue to search for funding for the building necessary to house and care for Arizona history. The agency will take a global view of space utilization. Staff is a crucial element in the many services provided by the State Library. Issues may include staffing levels, and recruiting, retaining, and training of staff. Technology needs will be evaluated and an equipment refresh program will help keep pace with technology demands.

**Strategic Issue Number: 3**

*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 digitization of federal, state and local government, e government will be one of our most important areas of concentration. Digital government will require the professional skill sets of archivists, records managers, librarians and technology staff to ensure usability today and preservation for tomorrow. The agency will consider ways to ensure publications and archival electronic records can be preserved permanently, meet public demands for access, and increase records management in electronic information systems through state government.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To provide access to public information. The agency will improve access to public information via in-person contacts, telephone contacts, fax, e-mail, and written requests.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Public Access - Materials loaned.	956,053	771,578	956,770	956,770
● Public Access - Records retrieved.	51,690	53,620	51,730	51,730
● Public Access - Questions answered.	136,921	156,286	137,030	137,030
● Public Access - Patrons registered.	8,100	8,854	8,100	8,100
● Public Access - On-line database searches.	13,218	241,780	242,000	242,000
<i>Growth from licensing statewide access to online databases through EDIC</i>				
● Public Access - Tour participants.	23,928	37,215	47,650	47,650
● Public Access - In-state contacts.	133,802	232,502	134,000	134,000
● Public Access - Out-of-state contacts.	20,664	23,483	20,700	20,700
● Public Access - Program attendees.	52,865	16,257	20,000	20,000
<i>Some programs previously counted here now counted under collaboration.</i>				
● Public Access - Web site visits (In thousands).	1,390.7	2,337.7	2,400.0	2,400.0
<i>FY2002 revised down to remove false hits of hackers, robots</i>				
● Public Access - E-mail delivered (In thousands).	3,629.1	5,014.3	3,628.8	3,628.8
● Public Access - SIRSI usage.	514,783	690,432	515,170	515,170
● Public Access - Ariel usage.	280	174	280	280
● Public Access - Jobline/Newsline calls.	5,651	5,564	6,000	6,000
● First Search Searches.	307,460	422,674	415,660	415,660

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Public access - Total contacts (In thousands).	7,245.2	10,012.4	8,583.9	8,583.9
● Customer satisfaction.	7.3	7.4	7.0	7.0

◆ Goal 2 - To preserve Arizona materials. The agency will improve the preservation of Arizona materials through cataloging, repair, digitization, microfilming and when necessary, conserving of fragile documents and photographs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Preservation - Materials preserved (in thousands). <i>Decline due to successful end of Arizona Newspaper Project w/ loss of two positions</i>	2,343.9	1,749.3	1,800.0	1,800.0
● Preservation - Materials digitized. <i>Decline due to RMD completion of several large contracts in FY2002</i>	816,313	407,427	410,000	410,000
● Preservation - Titles cataloged.	54,969	95,656	56,000	56,000
● Preservation - Reproductions for preservation, access (in thousands). <i>Reproductions are audio, microfilm, other copies made for preservation or public access</i>	57,462.7	68,207.4	59,670.0	59,670.0
● Preservation - Consultations. <i>No preservation grants this cycle reduced requests</i>	1,230	457	1,270	1,270
● Preservation-Total items/contacts(In thousands).	60,679.1	70,460.3	61,937.2	61,937.2

◆ Goal 3 - To promote statewide collaboration. The agency will increase its conduct of activities that create and promote collaboration among Arizona's cultural institutions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Collaboration - Institutions.	6,107	5,208	6,000	6,000
● Collaboration - Programs/Activities.	284	563	300	300
● Collaboration - Program attendees. <i>Increase: some programs counted in AHCCCS now counted here.</i>	17,926	87,050	70,000	70,000
● Collaboration - Library Advisory Council attendees.	60	48	60	60
● Collaboration - AHAC attendees. <i>Decline: Dir of Bds and Comm serving as acting director of museum division</i>	34	0	30	30
● Collaboration - AHRAB attendees. <i>Decline: Dir of Bds and Comm serving as acting director of museum division</i>	21	0	20	20
● Collaboration - Geo. Names Board attendees.	60	195	60	60
● Collaboration - Statewide Library Development Committee Attendees. <i>Committee ended its work in FY2002.</i>	38	0	0	0
● Collaboration - total activities/contacts.	24,530	93,064	76,500	76,500

◆ Goal 4 - To provide information services to the legislature. The agency will provide increased services to Legislators, Legislative staff, and Legislative agencies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Leg Info Services - Materials loaned.	54	130	54	54
● Leg Info Services - Legislative contacts.	8,821	10,899	8,821	8,821
● Leg Info Services - Tour attendees.	8,809	13,950	14,000	12,000
● Leg Info Services - Equipment loans.	26	45	26	26
● Leg Info Services - Facilities use permits.	82	5	82	82
● Leg Info Services - In-service training sessions.	38	29	40	45
● Leg Info Services - In-service training attendees.	118	49	75	115
● Leg Info Services - ARIEL usage.	7	8	7	7
● Leg Info Services - Boxed records in storage.	1,747	1,808	1,800	1,850
● Leg Info Services - Library Board attendees. <i>No Library Board meeting held in FY2003.</i>	31	0	31	31
● Leg info services - Total activities/contacts.	19,627	26,923	24,956	23,051

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**AGENCY SUMMARY  
LOTTERY**

Kathleen Pushor, Executive Director  
 Contact: Pam Scharon, Budget Manager  
 A.R.S. § 5-501

LOA  
 (480) 921-4489

**Agency Mission:**

To support Arizona programs for the public benefit by maximizing revenue in a responsible manner.

**Agency Description:**

The Arizona Lottery was established to maximize revenue dedicated to various beneficiaries through statutory formulas (A.R.S. § 5-501). 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:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	51,162.8	48,599.9	49,306.6
Other Non-Appropriated Fund	446,830.5	391,920.1	405,613.1
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	497,993.3	440,520.0	454,919.7
FTE Positions	123.0	110.0	110.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Increase Funding for Arizona Programs.*

Increasing sales is an important priority for the agency since funding for state programs is based on profits generated from Lottery sales. Although overall sales have consistently increased in recent years, trends vary by game. Instant ticket sales (Scratchers) have shown steady annual gains, while Powerball revenues continue to be linked to large jackpots. Sales for the other online games (The Pick™, Fantasy 5™, Pick 3™) have been fairly stable, but results from improvements made in prior years is beginning to diminish. The impact of game redesigns is inherently limited, requiring continuous efforts to rejuvenate interest among players. Instant ticket sales represent approximately 50% of total revenues, and the Lottery will strive to maintain sales momentum with respect to this product. The first \$10 instant ticket game introduced in FY03 was well-received by players. Due to the high success of this game, the Lottery plans to incorporate more consistent use of higher-value tickets (\$5 and \$10) as part of the Scratchers product strategy for FY04 and FY05. Consistent with the Auditor General's recommendation, the Lottery will also work to incorporate additional Instant Ticket Vending Machines (ITVMs) at certain retail locations as part of the approach to increase instant ticket sales. This may involve pursuing a change to the current funding format from a fixed per-machine cost to a percentage of sales methodology. This type of funding structure would be consistent with several of the Lottery's other contracted services and would essentially provide a self-funding mechanism for the machines. The Lottery's new game management system, which includes ticket distribution and inventory, begins the first full year of operations in FY04. This system allows for improved product management and more timely delivery of Scratchers tickets, serving to enhance revenue potential in the market. These endeavors facilitate the Lottery in efforts to generate revenue for Arizona programs.

**Strategic Issue Number: 2**

*Corporate Responsibility.*

In contrast to other state entities, the Arizona Lottery is a public agency that must conduct itself as a corporate organization in order to be successful. This unique operating environment presents challenges for the Lottery to perform as a market-driven business while still respecting the mandates of state government. Important areas of focus pertaining to corporate responsibility include the issues of responsible gaming and underage wagering. The Lottery recognizes that compulsive gambling is a problem for many individuals. Over the past few years, the Lottery has provided a comprehensive problem gambling helpline and treatment program. Lottery resources have been utilized for public awareness, education, prevention, and treatment for problem gamblers and their families. However, the future role of the Lottery will be changing with respect to this program. By September 30, 2003, the administration of problem gambling services is expected to be consolidated within the Department of Gaming. This will occur as a result of the gaming initiative passed in the last general election, which included a funding provision to address problem gambling issues. When this new program becomes operational, existing services administered by the Lottery will be transitioned to the Department of Gaming along with funding resources dedicated for this purpose. Even though responsibility for operating the problem gambling program will be transferred, the Lottery will continue its "Please Play Responsibly" message and the helpline number will continue to be printed on all tickets. Legislation to increase the legal minimum gambling age from 18 to 21 went into effect in June 2003. This change was communicated to all Lottery retailers well in advance of the implementation date, and retail locations were provided with appropriate "Age 21" signage. Because of this change and the potential impact with respect to underage wagering issues, compliance enforcement efforts in this area will be a primary focus in FY04 and FY05.

**Strategic Issue Number: 3**

*Operate Efficiently and Effectively.*

An important priority for the Lottery is to ensure that all business operations are conducted in an efficient and effective manner. Significant progress has been made with respect to this issue as substantiated by the positive performance audit conducted by the Office of the Auditor General last fiscal year. The Lottery has had consistently high survey ratings with respect to public opinion about honesty and integrity, and has also made progress in educating the public about how game proceeds benefit various programs throughout the state. Although promoting a positive public image will continue to be important, the Lottery now plans to shift communication and marketing efforts to a more product-oriented approach. With a solid foundation in place regarding public perception, the Lottery can now confidently focus on promoting its products. As part of this plan, the Lottery will continue its successful sports partnerships. These initiatives provide widespread television and radio exposure, promotional opportunities and signage as an effective way to reinforce Lottery brand recognition throughout the state. As in prior years, a positive working relationship with the retail community is essential to the successful operation of the agency and efforts to strengthen this relationship remain a priority for the Lottery. The new game management system will improve inventory management and provide more efficient product distribution to retailers. At the same time, however, the Lottery will continue to monitor and enforce compliance with retailer rules to ensure the State's interests are protected. Arizona has a new Governor and the Lottery has a new Executive Director. These changes in administration bring new operating philosophies to the agency, including a greater emphasis on growing sales. The agency will also be conducting an analysis of core business processes to more effectively utilize agency resources and measure performance. Although these changes in administration may modify the future strategic direction for the Lottery, the premise of competent and professional operations will remain an underlying foundation.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To increase revenue.

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total Lottery dollars distributed to State programs (in millions). <i>Distribution figures include \$3.3 million in FY03 and \$2.9 million in FY04-05 for transfers to the Court Appointed Special Advocate (CASA) Fund.</i>	86.8	95.7	79.1	83.8
● Dollar amount of instant ticket sales (in millions).	143.4	159.2	152.5	160.5
● Dollar amount of on-line sales (in millions).	151.4	163.1	132.6	132.0
● Percent of Lottery ticket sales distributed to state beneficiaries.	29.4	29.7	27.7	28.6
● Dollar amount of all game sales (in millions). <i>Sales estimates reflect the JLBC Appropriations Report to maintain funding consistency between the budget and the operational plan. Lottery estimates for FY04-05 are: \$165M instant tickets, \$145M on-line, \$310M total.</i>	294.8	322.3	285.1	292.5

● Total dollar amount of Instant Ticket Vending Machine (ITVM) sales (in millions).	27.9	29.3	32.8	36.3
● Average dollar amount of sales per ITVM.	86,900	91,200	102,100	113,100
◆ Goal 2 - To continue to increase agency efficiency.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of days required to pay vendors.	10	5	10	10
● Number of hours on-line game system available for processing transactions (out of 6022.5 hours total).	6,022.5	6,021.5	6,021.5	6,021.5
● Lottery operating expenses as a percentage of total sales.	16.4	16.1	16.9	16.8
● Number of hours instant ticket validation system available for processing transactions (out of 6022.5 hours total).	6,018.6	6,019.0	6,019.0	6,019.0
● Percent of Lottery program expenditures outsourced.	87.9	87.3	84.2	83.9
● Percent of vendor invoices paid within 30 days.	95	99	95	95
● Administration as a percentage of total cost.	8.3	7.8	9.0	8.7

◆ Goal 3 - To maintain an effective retailer compliance program.				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of active retailer accounts in good standing.	99.5	99.1	99.5	99.8
● Number of retailer compliance inspections conducted.	750	899	1,000	1,300
● Percent of retailers in compliance with Lottery rules and regulations.	N/A	99	99	99

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of retailers in compliance with underage wagering requirements. <i>The legal minimum gambling age changed from 18 to 21 in June 2003.</i>	NA	99	99	99

◆ Goal 4 - To expand public awareness regarding the Lottery's image, beneficiaries, winners, and products.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of general public indicating the Lottery is run honestly and with integrity.	76	78	75	75
● Average number of calls received per month on automated winning numbers line.	299,977	331,100	331,000	332,000
● Percent of general public indicating the Lottery is a good way to raise money for the state of Arizona.	69	75	70	70
● Average number of visitors per month to the Internet website (in thousands). <i>In FY02, difficulties were experienced with the website stats page, resulting in an artificially low number of visits to the website. The website host was changed in FY03 and problems with the stats page were rectified, which should now allow for more consistent data reporting.</i>	185.8	1,185.0	1,244.3	1,306.5

◆ Goal 5 - To enhance retailer relationships.				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of retailers achieving additional .5% commission incentive. <i>FY03 actual and FY04-05 estimates reflect JLBC changes to the Retailer Incentive Plan with respect to qualification criteria.</i>	45	33	30	30

● Percent of retailers expressing overall satisfaction with Lottery services.	N/A	81	81	82
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◆ Goal 6 - To promote responsible gaming.				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of calls received per month on the problem gambling crisis helpline. <i>Decrease in FY03 reflects the consolidation of helpline contractors from 2 to 1. Prior to FY03, duplication of calls were common, but unable to be isolated. Estimates are not provided for FY04-05 because administration of problem gambling services is expected to be relocated to the Department of Gaming by September 30, 2003. Since Lottery monies will be combined with those from Proposition 202, call volume attributed specifically to Lottery funding cannot be determined.</i>	100	41	N/A	N/A

● Number of individuals utilizing problem gambling treatment services funded by the Lottery. <i>Estimates are not provided for FY04-05 because administration of problem gambling services is expected to be relocated to the Department of Gaming by September 30, 2003. Since Lottery monies will be combined with those from Proposition 202, treatment volume attributed specifically to Lottery funding cannot be determined.</i>	306	363	N/A	N/A
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◆ Goal 7 - To attract and retain high quality employees.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Lottery employees expressing overall job satisfaction.	73	80	80	82
● Percent of agency staff turnover.	11.4	13.4	13.0	13.0



**AGENCY SUMMARY  
STATE PERSONNEL BOARD**

Judy Henkel, Executive Director  
Contact:  
A.R.S. § 41-100

PBA

**Agency Mission:**

To provide an efficient and impartial hearing process while carrying out its statutory mandate to hear and review disciplinary appeals and whistleblower complaints filed by state employees, former state employees, and other individuals referenced in the statutes.

**Agency 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:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	281.6	333.0	333.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	281.6	333.0	333.0
FTE Positions	3.0	3.0	3.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Continue to provide a fair, impartial, and expeditious hearing process.*

While satisfaction survey results indicate stakeholders feel the Board provides fair and impartial hearings, the Board will continue to include this as one of its strategic issues. It is important that hearings remain fair and impartial. The Board's hearing officers should display an unbiased position at the hearings. Despite a small staff, the average processing time for an appeal has decreased from 146 days in FY 02 to 113 days in FY 03. The Board would like to decrease this average to 110 days or less in FY 04 and FY 05.

**Strategic Issue Number: 2**

*Ensure professionalism of staff and hearing officers in their dealings with stakeholders.*

Satisfaction surveys returned in FY03 reflected a 92% satisfaction rate in the area of professionalism on the part of the board's hearing officers and staff. This is an increase of 3% over FY02 results. The board will continue to survey stakeholders to ensure staff and hearing officers display a professional demeanor with regard to each case. The board will strive to increase the service satisfaction rate.

**Strategic Issue Number: 3**

*Ensure all hearings are free from outside distractions.*

Hearings should be set in rooms that are conducive to holding a hearing. The board will ensure that the hearing rooms are adequate and distractions are kept to a minimum. The board will encourage its hearing officers to report any inadequate facilities so that another room can be used in its place. A personal inspection by board staff may be necessary.

**Strategic Issue Number: 4**

*Maintain and improve internet website.*

The board's website currently provides general information about the board, frequently asked questions, some statistics compiled by the board, and prior month's approved minutes. The board will update the website as necessary and seek improvement to provide additional information and materials via the web.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To provide state agencies and employees/citizens with a fair and efficient administrative hearing process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of appeals/complaints filed.	48	78	85	85
● Hearing days.	81	66.5	85	85
● Average days from receipt of an appeal/complaint until the board issues a final order.	146	113	110	105
● Average cost of an appeal/complaint (dollars).	1,615	1,078	1,250	1,300

- ◆ Goal 2 - To ensure customer/client satisfaction with process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of cases appealed to Superior Court.	6	2	6	6
● Number of cases remanded from court.	0	0	0	0
● Percent of customers rating overall hearing process as "good" to "excellent".	80	92	96	98
● Percent of customers rating overall hearing process as "average".	0	8	4	2



**AGENCY SUMMARY  
POWER AUTHORITY**

Joseph W. Mulholland, Executive Director PAA  
 Contact: Tommy Kinsey, Business Manager  
 A.R.S. § 30-101 et seq

**Agency Mission:**

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.

**Agency Description:**

Established in 1944, 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 which 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 in the best interest of the State of Arizona. The Authority is fully self funding and receives no appropriated funds.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	25,642.6	24,865.2	24,926.1
Federal Funds	5,512.7	5,155.9	5,095.0
Agency Operating Funds Total	31,155.3	30,021.1	30,021.1
FTE Positions	15.0	16.0	16.0

**Strategic Issues**

**Strategic Issue Number: 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.

**Strategic Issue Number: 2**

*Meet the additional work load created by deregulation of the electric utility industry.*

Deregulation of the electric utility industry at the wholesale level is being fostered by the Federal Energy Regulatory Commission (FERC). Although the Authority is not subjected to FERC jurisdiction, virtually every organization and company we deal with is affected by the FERC orders. Consequently, the Authority must prepare for active participation in the deregulated markets and this will require additional personnel.

**Strategic Issue Number: 3**

*Train staff to provide additional or more efficient service to customers.*

Continue to actively support customers and to enhance their ability to compete in deregulated energy markets. Employ computer model to study pooling and aggregation of customer needs and resources. Deregulated industry will require greater Authority/customer interaction in this regard.

**Strategic Issue Number: 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.

**Agency Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Hoover annual revenue requirements (in thousands).	52,040	50,761.7	51,719.1	53,870

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cost of Intertie Transmission (\$/kW-year).	12.00	12.00	12.00	12.00
● Cost of Parker-Davis Transmission (\$/kW-year).	12.99	12.96	12.96	15.71

- ◆ Goal 3 - To ensure the Power Authority and its customers are not adversely affected by and have the opportunity to compete following electric industry deregulation.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customers purchasing power from Arizona Power Authority.	31	31	31	31



**AGENCY SUMMARY  
STATE RETIREMENT SYSTEM**

Paul Matson, Director RTA  
 Contact: Anthony Guarino, Deputy Director, (602) 240-2077  
 Chief Operations Officer  
 A.R.S. § 38-712

**Agency Mission:**

To contribute toward members' long-term financial security by providing retirement, disability, survivors' and health insurance benefits; and by counseling and disseminating information to members.

**Agency 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, public school districts, local and county governments, and the State of Arizona. As of June 30, 2003, the ASRS had a market value of approximately \$18.7 billion dollars and had a total membership of 403,756 (203,362 actively contributing members; 131,718 inactive members; 64,166 retired members; and 4,510 disabled members).

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ MEMBER SERVICES	7,651.6	7,895.4	9,028.6
➤ ADMINISTRATION AND SUPPORT	8,422.7	8,679.0	8,301.7
➤ INFORMATION TECHNOLOGY PLAN	5,486.1	9,067.9	9,022.6
➤ INVESTMENT MANAGEMENT	19,799.6	20,832.2	20,978.1
Agency Total	41,360.0	46,474.5	47,331.0

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	19,756.0	23,925.7	24,782.2
Other Non-Appropriated Fund	21,604.0	22,548.8	22,548.8
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	41,360.0	46,474.5	47,331.0
FTE Positions	172.0	197.0	204.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Constantly Expanding Member Base*

There is a continually mounting workload for the ASRS due to a constantly expanding member base. The annual growth rate of members averages 7.36%. The ASRS needs to be prepared to address the increasing demand for services due to this growth.

**Strategic Issue Number: 2**

*Implementation of Information Technology Plan*

Current systems require staff to open multiple databases or wait for manual file retrieval from a large vault of files in order to complete a service request. This leads to longer wait times and member dissatisfaction with the ASRS. An Information Technology Plan is being implemented to

develop an integrated database system and business applications which can support efficient and effective delivery of member services.

**Strategic Issue Number: 3**

*Implementing Program Changes and Enhancements*

As the ASRS develops new Information Technology Systems, staff must learn to operate in an increasingly automated work environment. The ASRS also hopes to continue implementing new enhanced programs and benefits for members. The ASRS needs to be prepared to respond to program changes and enhancements quickly so that they do not disrupt service delivery.

**Strategic Issue Number: 4**

*Attracting, Retaining, and Developing Quality Staff*

As the ASRS adds and makes changes to programs, staff must operate in an increasingly complex work environment. The ASRS needs to recruit, train, and retain a staff capable of functioning in such an environment.

**Strategic Issue Number: 5**

*Performance Measurement*

The ASRS needs to measure the performance of its operation against the goals and objectives of its Strategic Plan in order to better assess and address its strengths and weaknesses.

**Strategic Issue Number: 6**

*Develop Effective Lines of Communication with Employers, the Legislature, and Member Groups*

The ASRS needs to further improve communications with employers, the Legislature, and member groups so it can better serve the needs of the ASRS membership.

**Strategic Issue Number: 7**

*Increasing Costs of Health Insurance*

Rising health care costs and difficulties in the health insurance market are effecting employers everywhere. The ASRS is particularly susceptible to health insurance issues due to the average age of our enrollees. The ASRS needs to develop a business plan to deal with continually increasing costs of offering health insurance to retirees.

**RTA.1 PROGRAM SUMMARY  
MEMBER SERVICES**

Contact: Anthony Guarino, Deputy Director, Chief Operations Officer  
 Phone: (602) 240-2077  
 A.R.S. § 38-755

**Program Mission:**

*To administer benefits and respond to member and employer inquiries and requests in an accurate, timely, efficient, and cost-effective manner.*

**Program Description:**

The Member Services Program is responsible for all aspects of customer service at the ASRS, including answering member and employer inquiries, responding to service requests, and providing educational services to members and employers.

**This Program Contains the following Subprograms:**

- ▶ **Benefit Services**
- ▶ **Advisory Services**
- ▶ **Health Insurance**
- ▶ **Long-term Disability**
- ▶ **Information Services**
- ▶ **External Operations**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	7,233.6	7,477.4	8,610.6
Other Non-Appropriated Fund	418.0	418.0	418.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>7,651.6</b>	<b>7,895.4</b>	<b>9,028.6</b>
<b>FTE Positions</b>	<b>87.0</b>	<b>106.0</b>	<b>108.0</b>

RTA.1.1      **SUBPROGRAM SUMMARY**  
                  **BENEFIT SERVICES**

Contact: Anthony Guarino, Deputy Director, Chief Operations Officer

Phone: (602) 240-2077

A.R.S. § 38-755 et. seq.

**Subprogram Mission:**

*To administer ASRS benefits in an accurate, timely, efficient, and cost-effective manner.*

**Subprogram Description:**

The Benefit Services subprogram is responsible for administering retirement and survivors' benefits, forfeitures of ASRS contributions, service purchase cost calculations, and the retiree health insurance program. (NOTE: Dollars for this subprogram have been included with the Financial Services subprogram in the Administration and Support Program.)

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Subprogram Goals and Performance Measures:**

- ◆ **Goal 1 - To identify and exceed, where possible, user and member requirements for new retiree processing.**

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of overall member satisfaction with the timeliness of first benefit payments for new retirees (those responding "very satisfied" or "satisfied").	83	83	85	85
● Percentage of overall member satisfaction with the monthly benefit payment process (those responding "very satisfied" or "satisfied").	83	87	87	87
● Number of new retirements processed.	4,538	5,467	5,767	6,067
◆ <b>Goal 2 - To identify and exceed, where possible, user and member requirements for forfeiture and survivor benefit processing.</b>				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of overall member satisfaction with the Forfeiture (withdrawal of contributions) process (those responding "very satisfied" or "satisfied").	74	77	80	82
● Number of forfeiture requests received.	6,888	5,659	8,067	9,277
● Number of forfeiture requests processed.	8,708	6,470	8,067	9,277
● Percentage of forfeitures processed accurately.	99.23	98	98	98
● Average number of business days to complete forfeiture request.	24.03	30.16	60	60
● Percentage of forfeiture requests meeting timeliness goals.	93	100	100	100
● Number of deaths reported.	2,187	2,256	2,321	2,391
● Number of retired survivor benefit requests received.	1,867	2,256	1,981	2,040
● Number of retired survivor benefit requests processed.	1,873	1,658	1,987	2,101
● Average number of business days to process a survivor benefit request.	20.8	19.06	15	15
● Percentage of overall member satisfaction with the survivor benefit process (those responding "very satisfied" or "satisfied").	71	81	82	84

- ◆ **Goal 3 - To identify and exceed, where possible, user and member requirements for service purchase processing.**

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of overall member satisfaction with the service purchase cost letter process (those responding "very satisfied" or "satisfied").	71	76	76	76

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of overall member satisfaction with the service purchase lump sum payment process (those responding "very satisfied" or "satisfied").	76	71	73	75
● Percentage of overall member satisfaction with the service purchase payroll deduction process (those responding "very satisfied" or "satisfied").	71	81	82	83
● Percentage of service purchase cost letters processed accurately.	98.42	99.06	90	90
● Number of service purchase cost letters requested.	13,504	16,672	22,822	29,668
● Number of service purchase cost letters completed.	11,933	14,446	20,539	26,701
● Average number of business days to complete a service purchase cost letter.	39.33	33.92	40	40
● Number of service purchase lump sum payments requested.	2,531	5,891	9,450	9,923
● Number of service purchase lump sum payments completed.	2,195	5,831	8,505	8,930
● Average number of business days to complete a service purchase lump sum payment.	13.54	9.1	10	10
● Percentage of service purchase lump sum payments meeting timeliness goals.	71	100	100	100
● Number of service purchase payroll deduction agreements requested.	5,481	4,536	6,839	8,891
● Number of service purchase payroll deduction agreements completed.	5,326	4,757	6,651	8,646
● Average number of business days to complete a service purchase payroll deduction agreement.	4.17	5.99	10	10
● Percentage of service purchase payroll deduction agreements meeting timeliness goals.	83	100	100	100

◆ Goal 4 - To identify and exceed, where possible, user and member requirements for health insurance processing.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of overall member satisfaction with the health insurance enrollment or coverage change process (those responding "very satisfied" or "satisfied").	61	72	72	74
● Percentage of overall member satisfaction with responses to health insurance inquiries (those responding "very satisfied" or "satisfied").	61	67	69	71
● Number of members requesting a health insurance change.	30,293	38,465	33,398	43,417

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of enrollments and declines processed.	52,055	27,335	57,391	74,608
● Number of manual adjustments performed.	3,008	11,130	3,316	4,311

RTA.1.2 SUBPROGRAM SUMMARY  
**ADVISORY SERVICES**

Contact: Anthony Guarino, Deputy Director, Chief Operations Officer  
 Phone: (602) 240-2077  
 A.R.S. § 38-756

**Subprogram Mission:**

*To respond to member inquiries and service requests in an accurate, timely, efficient, and cost-effective manner.*

**Subprogram Description:**

The Advisory Services subprogram is responsible for responding to telephone and internet inquiries and coordinating service transactions among other internal divisions. Advisory Services is also responsible for providing educational and counseling service to members at various locations throughout the State.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,827.7	2,861.4	2,968.7
Other Non Appropriated Fund	418.0	418.0	418.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	3,245.7	3,279.4	3,386.7
FTE Positions	52.0	69.0	69.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To identify and exceed member expectations for call center services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of overall member satisfaction with Telephone Service at the ASRS (those responding "very satisfied" or "satisfied").	78	82	84	86
● Respond to incoming calls within specified timeframe.	297	28.7	60	60
● Number of calls received.	226,531	180,240	198,264	218,090
● Number of calls answered.	180,682	172,011	188,351	207,185
● Percentage of calls abandoned.	21	4.2	10	10
● Percentage of telephone inquiries answered accurately.	94.95	97.1	90	90



◆ Goal 2 - To identify and exceed member expectations for inquiry responses.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of telephone or letter inquiries received.	9,100	16,383	14,219	17,773
● Number of telephone or letter inquiries completed.	8,351	15,924	12,797	15,996
● Average number of business days to complete telephone or letter inquiry.	3.9	2.7	10	10
● Percentage of telephone or letter inquiries meeting turnaround time goal.	89	100	100	100
● Number of web or e-mail inquiries received.	4,897	3,743	4,500	5,000
● Number of web or e-mail inquiries completed.	5,716	3,940	4,500	5,000
● Average number of business days to complete web or e-mail inquiry.	6.9	2.3	10	10
● Percentage of web or e-mail inquiries meeting turnaround time goal.	84	100	100	100

◆ Goal 3 - To identify and exceed member expectations for counseling and educational services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of overall member satisfaction with Pre-Retirement Seminars offered by the ASRS (those responding "very satisfied" or "satisfied").	84	90	87	90
● Percentage of overall member satisfaction with Retirement Workshops and Group Counseling Sessions offered by the ASRS (those responding "very satisfied" or "satisfied").	84	92	87	90
● Number of seminars, ASRS Overview sessions, or group counseling sessions held.	247	261	324	324

◆ Goal 4 - To identify and exceed member expectations for benefit estimate request processing.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of overall member satisfaction with the benefit estimate process (those responding "very satisfied" or "satisfied").	84	83	85	87
● Number of benefit estimate requests received.	9,450	13,872	15,435	17,578
● Number of benefit estimate requests completed.	9,466	14,353	15,092	17,201
● Average number of business days to complete benefit estimate request.	5.87	6.2	15	15

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of benefit estimate requests meeting turnaround time goal.	81	100	100	100
● Percentage of benefit estimate requests completed accurately.	97.48	98.45	98	98

RTA.1.3                      SUBPROGRAM SUMMARY  
**HEALTH INSURANCE**

Contact: Anthony Guarino, Deputy Director, Chief Operations Officer  
 Phone: (602) 240-2077  
 A.R.S. § 38-782

**Subprogram Mission:**

*To administer the retiree health insurance program in an accurate, timely, efficient, and cost-effective manner.*

**Subprogram Description:**

These activities are contained within the Benefit Services subprogram, and appropriated through the Financial Services subprogram of the Administration and Support program.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	0.0	0.0	0.0
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To identify and exceed, where possible, user and member requirements for health insurance processing.

RTA.1.4                      SUBPROGRAM SUMMARY  
**LONG-TERM DISABILITY**

Contact: Anthony Guarino, Deputy Director, Chief Operations Officer  
 Phone: (602) 240-2077  
 A.R.S. § 38-781

**Subprogram Mission:**

To administer a long term disability program that provides the framework to offer disabled members financial protection, rehabilitation, and a plan for re-employment in an accurate, timely, efficient and cost-effective manner.

**Subprogram Description:**

The Long Term Disability (LTD) subprogram is responsible for responding to telephone and internet inquiries and coordinating service transactions among other internal divisions. Advisory Services is also responsible for providing educational and counseling service to members at various locations throughout the State.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,406.7	2,616.8	2,867.7
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,406.7</b>	<b>2,616.8</b>	<b>2,867.7</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To identify and exceed member expectations for LTD services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of months needed to determine eligibility.	6	6	6	6

RTA.1.5      **SUBPROGRAM SUMMARY**  
**INFORMATION SERVICES**

Contact: Anthony Guarino, Deputy Director, Chief Operations Officer  
 Phone: (602) 240-2077  
 A.R.S. § 38-715

**Subprogram Mission:**

To support the ASRS through the establishment of automated systems that support agency programs by disseminating information to users, members, and other interested entities in an accurate, timely, efficient, and cost-effective manner.

**Subprogram Description:**

The Information Services subprogram provides all services pertaining to the development, implementation, and maintenance of the ASRS's computer, telephone, and network applications/systems, as well as maintenance of member files.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,999.2	1,999.2	2,774.2
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,999.2</b>	<b>1,999.2</b>	<b>2,774.2</b>
FTE Positions	29.0	29.0	29.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To develop and maintain a database system and business applications that provide procedures and programs to collect, organize, maintain, and present the data required to meet the informational needs of the ASRS and its constituents.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of business applications development projects requested.	4	8	9	3
• Number of business applications development projects completed.	4	8	9	3
• Percentage of business applications development projects meeting scheduled commitments.	75	100	100	100

- ◆ Goal 2 - To provide an environment for computer and filing systems capable of supporting present ASRS needs, flexible enough to support future requirements, and secure enough to protect member files.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of help desk services requested.	2,301	4,039	4,348	5,435
• Number of help desk services completed.	2,301	4,039	4,348	5,435
• Percentage of help desk services meeting scheduled commitments.	93.4	84	90	90
• Percentage of employees satisfied with the help desk service.	93.6	91.5	92	92

- ◆ Goal 3 - To identify and exceed user requirements for storage, retrieval, and data entry of physical records.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of physical records services requested.	28,211	57,810	34,000	37,000
• Number of physical records services completed.	28,211	57,810	34,000	37,000
• Percentage of physical records services meeting scheduled commitments.	100	100	100	100

RTA.1.6      **SUBPROGRAM SUMMARY**  
**EXTERNAL OPERATIONS**

Contact: Richard Stephenson, Deputy Director, External Affairs  
 Phone: (602) 240-2028  
 A.R.S. § 38-755 et. seq.

**Subprogram Mission:**

*To provide communication and education services to members, employers, legislators, and other interested parties with regard to retirement issues in an accurate, timely, efficient, and cost-effective manner.*

**Subprogram Description:**

The External Operations subprogram is responsible for establishing effective lines of communication with the ASRS's 650+ employer members, its 350,000+ employee members, other constituent groups, the State Legislature, and other outside entities. The services provided by External Operations include: 1. Communication and education (preparation and distribution of quarterly member and employer newsletters, member benefit handbook, employer instruction manual, updated excerpts from the Arizona Revised Statutes and ASRS Board rules; and publication of informational brochures, the annual member benefit statement and the ASRS financial statement), 2. Employer relations (providing an interface for training and assistance, and technical plan support to employers), and 3. Legislative affairs and other outside relations (federal and state lobbying activities, legislative and regulatory review for compliance, and coordination between the ASRS and its constituent groups). (NOTE: Dollars for this Subprogram were appropriated under the Administration and Support Program, so the dollars for this Subprogram have been left blank.)

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	0.0	0.0	0.0
FTE Positions	6.0	8.0	10.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To identify and exceed member expectations for communication and education services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of overall member satisfaction with the ASRS Quarterly Newsletter (those responding "very satisfied" or "satisfied").	80	86	87	89
● Percentage of overall member satisfaction with the ASRS website (those responding "very satisfied" or "satisfied").	73	78	80	82

- ◆ Goal 2 - To identify and exceed member expectations for employer relations services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of employers enrolled with the ASRS.	653	686	713	734
● Number of employer meetings held.	13	93	110	137

RTA.2 PROGRAM SUMMARY  
**ADMINISTRATION AND SUPPORT**

Contact: Anthony Guarino, Deputy Director, Chief Operations Officer  
Phone: (602) 240-2077  
A.R.S. § 38-711 et. seq.

**Program Mission:**

*To establish and maintain an administrative framework to carry out the Arizona Revised Statutes and the directives of the ASRS Board in an accurate, timely, efficient, and cost-effective manner.*

**Program Description:**

The Administration and Support Program contains the various support functions necessary to fulfill the ASRS's statutory responsibility. Support functions include the Office of the Director, Human Resources and Training, Budget, Procurement, Internal Audit, Legal, Accounting, and Information Services.

**This Program Contains the following Subprograms:**

- ▶ Director's Office
- ▶ Financial Services

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	6,363.2	6,619.5	6,242.2
Other Non-Appropriated Fund	2,059.5	2,059.5	2,059.5
Federal Funds	0.0	0.0	0.0
Program Total	8,422.7	8,679.0	8,301.7
FTE Positions	64.0	65.0	69.0

RTA.2.1 SUBPROGRAM SUMMARY  
**DIRECTOR'S OFFICE**

Contact: Anthony Guarino, Deputy Director, Chief Operations Officer  
Phone: (602) 240-2077  
A.R.S. § 38-715

**Subprogram Mission:**

To provide administrative and managerial support that ensures the execution of ASRS statutory responsibility and Board directives in an accurate, timely, efficient, and cost-effective manner.

**Subprogram Description:**

The Director's Office subprogram contains administrative and support staff including the Director, the Deputy Director of Internal Operations, Human Resources, Budget, Internal Audit, and Legal. (NOTE: Dollars for the External Operations subprogram were appropriated through the Administration and Support Program and have been included with the Director's Office subprogram. Includes dollars for the PFP Award Program, Salary Equalization, SRSP, Modified DROP, and Salary Incentive Program for the Financial Services and Information Services subprograms. Includes all agency equipment and Other Operating Expenses expect for those specifically associated with new FTE's. In BUDDIES, SRSP and Modified DROP dollars are listed as Other Operating Expenses because the program would not allow us to put them in as ERE.)

- ◆ Goal 3 - To develop and secure budgets, and maintain reports that strengthen the efficiency and effectiveness of the ASRS operation.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Number of Operations Reports submitted to the ASRS Board.	10	11	12	12
• Percentage of Operations Reports completed accurately.	100	100	100	100

RTA.2.2 SUBPROGRAM SUMMARY  
**FINANCIAL SERVICES**  
 Contact: Anthony Guarino, Deputy Director, Chief Operations Officer  
 Phone: (602) 240-2077  
 A.R.S. § 38-720

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	4,055.2	4,311.5	3,846.2
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>4,055.2</b>	<b>4,311.5</b>	<b>3,846.2</b>
FTE Positions	24.0	25.0	25.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To enhance efficiency, effectiveness, and customer satisfaction with the ASRS through strategic planning.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Percentage of members who "agree" or "strongly agree" that ASRS employees provide good service to members.	84	87	88	90
• Percentage of members who "agree" or "strongly agree" that the ASRS keeps its members informed of matters that affect them.	80	82	84	86
• Percentage of members who "agree" or "strongly agree" that the ASRS is pleasant and easy to do business with.	81	85	87	89

- ◆ Goal 2 - To identify and exceed requirements for personnel management.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Number of personnel action requests received.	213	120	215	215
• Percentage of employees who have completed all required ADOA training classes.	95	83	90	90

**Subprogram Mission:**

To provide sound accounting and financial-related services in an accurate, timely, efficient, and cost-effective manner.

**Subprogram Description:**

The Financial Services subprogram is responsible for performing all accounting functions for the ASRS, including receivables from employers, support and validation of the ASRS investment activities, accounts payable, and staff payroll activities. (NOTE: Half of the Financial Services Division works in processing member benefits. These activities have been more properly placed in the Benefit Services Subprogram of the Member Services Program, although the dollars remain in the Financial Services subprogram of the Administration and Support program.)

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,308.0	2,308.0	2,396.0
Other Non Appropriated Fund	2,059.5	2,059.5	2,059.5
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>4,367.5</b>	<b>4,367.5</b>	<b>4,455.5</b>
FTE Positions	40.0	40.0	44.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To identify and exceed all user requirements for accounting services.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Average number of business days to pay liabilities.	3	3	3	3
• Average number of business days to post contributions.	5	5	5	5
• Average number of business days to complete a payment for service payroll deduction agreement.	12.44	5.97	10	10
• Average number of business days to complete a lump sum payment.	13.54	9.07	10	10

**RTA.3 PROGRAM SUMMARY**  
**INFORMATION TECHNOLOGY PLAN**

Contact: Anthony Guarino, Deputy Director, Chief Operations Officer  
 Phone: (602) 240-2077  
 Laws 2003 Chapter 262

General Funds	0.0	0.0	0.0
Other Appropriated Funds	701.4	789.2	935.1
Other Non-Appropriated Fund	19,098.2	20,043.0	20,043.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>19,799.6</b>	<b>20,832.2</b>	<b>20,978.1</b>
FTE Positions	7.0	8.0	9.0

**Program Mission:**

To develop an integrated database system and business applications that will automate workflow for the ASRS, thereby allowing faster service delivery.

**Program Description:**

The Information Technology Plan is a business plan containing five main components: Public Employee Retiree Information System (PERIS) Development, Internet Applications Development, implementation of an Electronic Document Imaging Management System (EDIMS), ongoing maintenance and upgrades to telephone and network technology, and utilization of a Project Management Team to ensure success of the overall plan.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	5,457.8	9,039.6	8,994.3
Other Non-Appropriated Fund	28.3	28.3	28.3
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>5,486.1</b>	<b>9,067.9</b>	<b>9,022.6</b>
FTE Positions	14.0	18.0	18.0

**RTA.4 PROGRAM SUMMARY**  
**INVESTMENT MANAGEMENT**

Contact: Gary Dokes, Chief Investment Officer  
 Phone: (602) 240-2180  
 A.R.S. § 38-719 et. seq.

**Program Mission:**

To manage the ASRS Retirement Fund in a manner consistent with the goals of the ASRS Board.

**Program Description:**

The Investment Management Program is responsible for overseeing the investment of the ASRS Retirement Fund assets, the market value of which was approximately \$19.1 billion as of June 30, 2002. The Arizona Revised Statutes establish limitations of the investment of these assets, which must be monitored by staff. The ASRS has the statutory authority to invest up to 50% of the Retirement Fund assets internally, and has established a program that currently invests approximately 36% of the total Retirement Fund.

**This Program Contains the following Subprograms:**

- ▶ Internal Management
- ▶ External Management
- ▶ Asset Allocation

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

**RTA.4.1 SUBPROGRAM SUMMARY**  
**INTERNAL MANAGEMENT**

Contact: Gary Dokes, Chief Investment Officer  
 Phone: (602) 240-2180  
 A.R.S. § 38-718

**Subprogram Mission:**

To manage the internal ASRS portfolios to achieve designated investment performance levels at minimal cost.

**Subprogram Description:**

Historically, the ASRS has relied entirely on external investment managers to manage Retirement Fund assets, at an average cost of approximately \$1 million annually for every \$1 billion invested. The ASRS internal investment program manages approximately 36% of the total Retirement Fund. The investments made through this program are consistent with indexed or enhanced index portfolios, in which most investments are part of a recognized market index, such as the Standard & Poor's 500. The goal of this strategy is to achieve investment returns that are consistent with the market as a whole (as measured by market indexes) but at a much lower cost. The ASRS expects to maintain its internal investment program for approximately one-tenth of the cost of an externally managed portfolio.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	413.8	501.6	653.5
Other Non Appropriated Fund	225.7	225.7	225.7
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>639.5</b>	<b>727.3</b>	<b>879.2</b>
FTE Positions	7.0	8.0	9.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To generate investment returns that are consistent with the relevant benchmarks.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Dollars managed internally (in billions).	6.60	7.00	7.70	8.32
• Total dollars in Retirement Fund (in billions).	19.10	18.7	19.10	20.62
• Percentage of assets managed internally.	35.10	37.43	35.10	35.10
• Percentage of assets achieving annual investment returns within specified basis points of the benchmark.	44	98	75	75

- ◆ Goal 2 - To maintain low total investment expenses by internally managing portfolios.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total dollars in Retirement Fund (in billions).	19.10	18.7	19.10	20.62
● Cost of annual internal investment management (in Basis Points as a percentage of internally managed assets).	.01	.01	.01	.01
● Percentage reduction in total investment management costs.	6.4	0	0	0

RTA.4.2 SUBPROGRAM SUMMARY  
**EXTERNAL MANAGEMENT**

Contact: Gary Dokes, Chief Investment Officer  
Phone: (602) 240-2180  
A.R.S. § 38-718

**Subprogram Mission:**

*To monitor external investment manager compliance and performance.*

**Subprogram Description:**

The External Management subprogram is responsible for monitoring the performance of 19 investment managers entrusted with Retirement Fund assets. This includes working with the ASRS performance investment consultant to ensure manager performance relative to established benchmarks and interpreting the directives of the ASRS Board for external managers.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	239.3	239.3	233.3
Other Non Appropriated Fund	18,871.5	19,816.3	19,816.3
Federal Funds	0.0	0.0	0.0
Subprogram Total	19,110.8	20,055.6	20,049.6
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To monitor and report on external investment manager performance relative to established benchmarks.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of external investment managers meeting established benchmarks for investment returns.	7	15	N/A	N/A
● Number of external investment managers.	15	23	N/A	N/A
● Percentage of external investment managers meeting established benchmarks for investment returns.	47	65	N/A	N/A

RTA.4.3 SUBPROGRAM SUMMARY  
**ASSET ALLOCATION**

Contact: Gary Dokes, Chief Investment Officer  
Phone: (602) 240-2180  
A.R.S. § 38-755 et. seq.

**Subprogram Mission:**

*To ensure the ASRS Retirement Fund is invested in an optimal asset mix.*

**Subprogram Description:**

Asset allocation refers to the mix of Retirement Fund investments among the various classes of assets (e.g. bonds, equities, cash, international equities, and real estate). The Asset Allocation subprogram conducts formal and informal reviews of the asset mix, relying on ASRS Staff and outside consultants, to ensure the portfolio remains within the optimal allocation. The optimal asset mix is determined through periodic asset/liability review which contains a recommendation for the optimal mix to meet current and future liabilities.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	48.3	48.3	48.3
Other Non Appropriated Fund	1.0	1.0	1.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	49.3	49.3	49.3
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To review and implement the ASRS asset allocation.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of determinations as to whether a rebalancing of the asset allocation mix is required.	12	12	12	12
● Percentage by which the asset allocation is unbalanced.	1	0	0	0

- ◆ Goal 2 - To achieve an actuarial investment return for pension assets of eight percent and maintain a 100% funded status.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of investment returns.	-8.2	2.4	8	8
● Percentage of liability funded.	106	100	94	88



**AGENCY SUMMARY  
DEPARTMENT OF REVENUE**

J. Elliott Hibbs, Director RVA  
 Contact: Nick Buta, Quality Executive (602) 716-6891  
 A.R.S. § 42-1001 et seq.

**Agency Mission:**

To administer tax laws fairly and efficiently for the people of Arizona.

**Agency Description:**

Pursuant to A.R.S. Title 42, the Department of Revenue (DOR) administers and enforces the collection of personal and corporate income, transaction privilege, withholding, luxury, and estate taxes. The Department oversees the 15 county assessors in the administration of state property tax laws.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ SERVICE	8,765.1	9,704.0	9,704.0
➤ PROCESSING	7,121.9	7,329.3	7,329.3
➤ EDUCATION AND COMPLIANCE	30,605.4	35,675.1	28,973.2
➤ AGENCY SUPPORT	21,395.4	20,611.5	20,611.5
Agency Total	67,887.8	73,319.9	66,618.0

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	56,365.7	60,362.4	60,362.4
Other Appropriated Funds	2,122.6	2,269.4	2,269.4
Other Non-Appropriated Fund	9,399.5	10,688.1	3,986.2
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	67,887.8	73,319.9	66,618.0
FTE Positions	1,124.7	1,134.0	1,134.0

**Strategic Issues**

**Strategic Issue Number: 1**

*To increase automation through the Business Reengineering/Integrated Tax System (BRITS) project.*

The Business Reengineering/Integrated Tax System (BRITS) project is the first of its kind in Arizona State government. Contracted as a "revenue benefit sharing" project, our vendor/partner will be paid based upon added revenue generated by the Department as a result of new technology. The BRITS project will be implemented over four years. At the project's conclusion, DOR will be the leader in tax administration with greatly improved technology and automation. All tax systems will be fully integrated allowing for complete crossover of tax records and information. Taxpayers will be able to have all tax issues addressed in "one stop shopping" format. The taxpayers will be able to access the Department's automated information 24 hours a day, seven days a week. Department abilities and efficiencies will increase significantly to benefit Arizona citizens.

**Strategic Issue Number: 2**

*To ensure business continuity.*

The Department continues to refine its business continuity plan in accordance with the Governor's requirements to address issues of disaster

recovery. The plan includes all documentation related to an escalation/notification process. It defines how the Department will process and handle taxpayer and employee questions as well as addressing other critical business functions. The plan will be completed by December 31, 2003.

**Strategic Issue Number: 3**

*To conduct the Amnesty Program.*

The Amnesty Program is geared for taxpayers that have not filed an income tax return for years January 1983 through January 2002. For transaction privilege and other taxes, returns may be filed for taxable periods from and after December 31, 1982 and ending before January 1, 2003. All amnesty tax filings must be received in the Department by May 1, 2004. The actual number of these taxpayers is unknown. Through educating the public, this program will allow taxpayers to come clean on their back tax liabilities as well as allow DOR to recoup unpaid taxes.

**Strategic Issue Number: 4**

*To Administer the Ladewig Class Action settlement.*

There are approximately 600,000 individuals who are members of this class and entitled to refunds of taxes paid on certain corporate dividends. The first refunds, approximately 50% of the total refund amount, must be issued by August 2004. The second installment must be issued by July 20, 2005 and the final installment must be issued by July 21, 2006.

**Strategic Issue Number: 5**

*To improve our benchmarking and comparative data.*

It is important to see how the Department ranks among similar agencies in measuring best practices. Knowledge and information exchange is critical to help the agency improve and move forward. We will seek out benchmarking studies and participate in those that we are able to. We will also look at key processes in other organizations for other opportunities to benchmark.

**Strategic Issue Number: 6**

*To develop a Complaint Management system.*

The vast majority of unsatisfied customers will never come right out and tell us they are unsatisfied. When a customer complains, it is a golden opportunity to gather valuable information. Therefore, the purpose of the Complaint Management System is to analyze and evaluate complaints in order to improve our products and services, enable management to identify areas needing resources and acquire and deploy those resources, and audit and review the effectiveness of the complaint handling process. Complaint Management System design and implementation will include a definition of a complaint and a database to capture complaints. The Complaint Management System is scheduled to be in operation by the end of June 2004.

**Strategic Issue Number: 7**

*To reduce interagency duplication.*

Realizing that agencies perform similar tasks, we can look to add value to our work processes on a higher level within the State. By reducing similar work processes and streamlining procedures, we can save taxpayers time and money. A task force will need to look at areas of duplication and decide which is the best method to eliminate and streamline identified processes.

**Strategic Issue Number: 8**

*To develop the Property Assessment and Taxation System (APATS).*

The current mainframe property tax system is over 20 years old and is beset with limitations typical of a mainframe system. It has surpassed its intended life span and is incapable of accommodating significant expansion or redesign. Since 2001, the situation has been improved through two development projects. While these efforts successfully addressed some of the more pressing short term needs, they do not address the underlying, fundamental limitations of the current system. APATS will 1) provide faster access to information, 2) increase

productivity, accuracy, customer and public confidence, and the ability to respond to change, and 3) reduce operating costs. The first phase of APATS was the data migration phase which was completed February 21, 2003. Phase II is the Elaboration Phase and Phase III is the Construction Phase. The Elaboration Phase involves the analysis of current subsystems and the identification of user requirements. The Construction Phase involves the architectural development and system design.

FTE Positions 189.0    190.0    190.0

RVA.1	<b>PROGRAM SUMMARY SERVICE</b>
Contact: Nick Buta, Quality Executive Phone: (602) 716-6891 A.R.S., Title 42	

RVA.1.1	<b>SUBPROGRAM SUMMARY INQUIRIES AND REQUESTS</b>
Contact: Nick Buta, Quality Executive Phone: (602) 716-6891 A.R.S., Title 42	

**Program Mission:**

*To timely and accurately meet the needs of each Arizona taxpayer 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 to 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.*

**Program 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 to 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; returning unclaimed property to its rightful owners by identifying, locating and notifying the owners/holders of the property; and, administering the estate tax laws.

**Subprogram Mission:**

*To enable Arizona taxpayers and other DOR 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.*

**Subprogram 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 to 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; returning unclaimed property to its rightful owners by identifying holders of the property and locating and notifying the owners; and administering the estate tax laws.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,129.2	4,881.4	4,881.4
Other Appropriated Funds	1,349.6	1,448.2	1,448.2
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>5,478.8</b>	<b>6,329.6</b>	<b>6,329.6</b>
<b>FTE Positions</b>	<b>135.0</b>	<b>139.0</b>	<b>139.0</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure prompt response to taxpayers' immediate inquiries.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
	<ul style="list-style-type: none"> <li>● Average wait time for business tax calls (in minutes) in Taxpayer Information and Assistance section call center.</li> </ul> Increase in FY03 actual wait time over estimate is due to a decrease in call center staff. FY04 and FY05 estimates are conservative due to same staffing issues.	8:23	7:55	5:00
<ul style="list-style-type: none"> <li>● Average wait times for income tax calls (in minutes) in Taxpayer Information and Assistance section call center.</li> </ul> Increase in FY03 actual wait time over estimate is due to a decrease in call center staff. FY04 and FY05 estimates are conservative due to same staffing issues.	1:19	4:06	5:00	5:00

**This Program Contains the following Subprograms:**

- ▶ Inquiries and Requests
- ▶ Local Jurisdictions
- ▶ Taxpayer, Executive, and Legislative Issues

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,795.6	7,777.5	7,777.5
Other Appropriated Funds	1,349.6	1,448.2	1,448.2
Other Non-Appropriated Fund	619.9	478.3	478.3
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>8,765.1</b>	<b>9,704.0</b>	<b>9,704.0</b>



2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Percent of written inquiries answered within 30 calendar days in Taxpayer Information and Assistance section.</li> </ul>	60	55	50	50

Decrease in FY03 actual percent of written inquiries answered is due to a decrease in the call center staff. FY04 and FY05 estimates are conservative due to same staffing issues.

◆ Goal 2 - To improve the processing of returns/applications/maintenance.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Percent of change notices issued within 5 business days of receipt.</li> </ul>	97	94	94	92
<ul style="list-style-type: none"> <li>Average license turnaround time (in business days).</li> </ul>	7.7	4.6	4.5	4.5

◆ Goal 3 - To attain favorable customer service levels as evidenced by aggregate customer survey scores.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Customer satisfaction rating for Taxpayer Information and Assistance section (scale 1-5).</li> </ul>	4.59	4.62	4.60	4.60

RVA.1.2 SUBPROGRAM SUMMARY  
LOCAL JURISDICTIONS

Contact: Nick Buta, Quality Executive  
Phone: (602) 716-6891  
A.R.S., Title 42

**Subprogram Mission:**

*To 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.*

**Subprogram Description:**

The Division is responsible for administration of the State's property tax laws; general supervision of county assessors; 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 Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,021.5	2,037.9	2,037.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	619.9	478.3	478.3
Federal Funds	0.0	0.0	0.0
Subprogram Total	2,641.4	2,516.2	2,516.2
FTE Positions	44.0	37.0	37.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To improve the equity and uniformity of property values determined by County Assessors.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Percent of total (commercial, residential, land) property values within sales ratio standards as measured by county and qualifying market area.</li> </ul>	95	93	94	96
<ul style="list-style-type: none"> <li>Percent of total (commercial, residential, land) property values within coefficient of dispersion (COD) standards as measured by county and qualifying market area.</li> </ul>	79	73	77	84

◆ Goal 2 - To improve the equity and uniformity of values for centrally valued properties.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Number of companies audited.</li> </ul>	N/A	N/A	30	35

◆ Goal 3 - To develop the Property Assessment and Taxation System (APATS).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Percent of project tasks completed on time and with 100 percent accuracy based on Department of Revenue and County Assessor testing.</li> </ul>	N/A	N/A	80	84

APATS has been identified as a critical strategic issue in FY04.

RVA.1.3 SUBPROGRAM SUMMARY  
TAXPAYER, EXECUTIVE, AND LEGISLATIVE ISSUES

Contact: Nick Buta, Quality Executive  
Phone: (602) 716-6891  
A.R.S., Title 42

**Subprogram Mission:**

To 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.

**Subprogram 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 and 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 Amounts:	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	644.9	858.2	858.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>644.9</b>	<b>858.2</b>	<b>858.2</b>
FTE Positions	10.0	14.0	14.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide timely and accurate information to the Governor's Office, legislature, and the public.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Hearing Decisions issued within 81 calendar days of the Hearing or from the date the last memo is due.	100	100	100	100
● Cumulative number of legislative analysis completed within 3 business days of receipt during session.	38	39	N/A	N/A

We are unable to project estimated figures because there is no way to know how many pieces of legislation will be written and need to be analyzed until they arrive at ADOR.

RVA.2                      PROGRAM SUMMARY  
**PROCESSING**

Contact: Nick Buta, Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

**Program Mission:**

To 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 Accounts Receivable system; and to provide quality service to satisfy debts owed by taxpayers to other government agencies.

**Program 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 all cigarettes, cigars, smoking tobacco, plug tobacco, snuff, and other forms of tobacco, and also maintains the automated accounts receivable system that interfaces with the automated systems for Licensing, Audit and Collections.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	6,750.7	6,943.5	6,943.5
Other Appropriated Funds	371.2	385.8	385.8
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>7,121.9</b>	<b>7,329.3</b>	<b>7,329.3</b>
FTE Positions	172.7	173.5	173.5

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To improve the timeliness of payment processing.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of payments deposited within two business days.	72	76	78	80
● Average turnaround time for deposits (in business days).	N/A	2	2	2

- ◆ Goal 2 - To process Individual Income and Transaction Privilege Tax (IPT) returns in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average turnaround time in calendar days for an Individual Income tax return to post to the Proper (computer) System. The increase in posting time is due to a decrease in processing staff.	9.0	10.5	7.0	6.0
● Total tax documents processed (in millions).	6.3	5.3	5.5	5.9

- ◆ Goal 3 - To process all Individual Income tax refunds in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of all Individual Income tax refunds transmitted electronically.	64	51	55	58

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Average calendar days to refund total Individual Income tax checks (paper warrants and electronic deposits).	11.3	13.5	13.5	13.0

General Funds	21,424.0	25,029.9	25,029.9
Other Appropriated Funds	401.8	435.4	435.4
Other Non-Appropriated Fund	8,779.6	10,209.8	3,507.9
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>30,605.4</b>	<b>35,675.1</b>	<b>28,973.2</b>
<b>FTE Positions</b>	<b>591.0</b>	<b>602.5</b>	<b>602.5</b>

**RVA.3 PROGRAM SUMMARY**  
**EDUCATION AND COMPLIANCE**

Contact: Nick Buta, Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

**RVA.3.1 SUBPROGRAM SUMMARY**  
**EDUCATION AND OUTREACH**

Contact: Nick Buta, Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

**Program Mission:**

*To 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.*

**Program Description:**

The Education & Compliance program:  
 - administers a taxpayer outreach and education program for tax practitioners, individual taxpayers and businesses;  
 - provides information services through publications; and  
 - coordinates the Department's speaker's bureau, and in conjunction with the Internal Revenue Service and state universities, offers tax seminars statewide.

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 Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

**Subprogram Mission:**

*To 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.*

**Subprogram Description:**

The Education & Outreach subprogram provides tax education seminars and related programs for taxpayers and tax practitioners including graphics support and information services through publications, speaker's bureau training opportunities and, in conjunction with the Internal Revenue Service and state universities, offers tax seminars statewide.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	488.0	596.2	596.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	194.0	192.0	192.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>682.0</b>	<b>788.2</b>	<b>788.2</b>
<b>FTE Positions</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase taxpayer transactions conducted electronically.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of all tax dollars received electronically.	53.2	57.2	58.0	60.0
• Percent of Individual Income tax returns received electronically.	22.7	17.7	19.0	22.0

- ◆ Goal 2 - To improve the voluntary compliance of tax returns.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of money remitted voluntarily as a percentage of total receipts.	94.90	95.60	96.19	96.29

- ◆ Goal 3 - To continue to provide educational opportunities to the public and increase attendance by ten percent.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent increase in attendance from prior year.	N/A	40	44	48

**RVA.3.2 SUBPROGRAM SUMMARY  
AUDIT AND ASSESSING**

Contact: Nick Buta, Quality Executive  
Phone: (602) 716-6891  
A.R.S., Title 42

**Subprogram 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 timely disseminating that information to departmental employees and to the public; providing quality legal support and analysis to the audit sections; fairly adjudicating taxpayer appeals to the Agency's hearing office; and developing fair and reasonable valuations for centrally-valued properties.*

**Subprogram Description:**

The Audit & Assessing subprogram is responsible for the Department's audit compliance programs for corporate, individual income, transaction privilege and use taxes and Special Audit services (luxury tax & unclaimed property), including resolution attempts, internal contests on taxpayer protests and oversight at audit litigation. The subprogram also provides various legal services, such as resolving disputed assessments and refund denials, adjudicating taxpayers' administrative appeals to the DOR hearing office; directing the process of fairly interpreting, applying and disseminating tax law information to departmental employees and public; and providing 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.

Performance Measures	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	12,362.2	15,512.3	15,512.3
Other Appropriated Funds	199.8	234.4	234.4
Other Non Appropriated Fund	8,585.6	10,017.8	3,315.9
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>21,147.6</b>	<b>25,764.5</b>	<b>19,062.6</b>
FTE Positions	332.0	344.0	344.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the scope and quality of the audit programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of final Transaction Privilege Tax (IPT) audit assessment amounts compared to the initial assessment amounts.	86	79	80	82

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of final Individual Income tax audit assessment amounts compared to the initial assessment amounts.	76	74	75	75
● Percent of final Corporate Income tax audit assessment amounts compared to the initial assessment amounts.	74	72	75	75

**RVA.3.3 SUBPROGRAM SUMMARY  
COLLECTIONS**

Contact: Nick Buta, Quality Executive  
Phone: (602) 716-6891  
A.R.S., Title 42

**Subprogram Mission:**

*To fairly and efficiently collect receivables and delinquent returns and to insure businesses are properly licensed/registered with the Department.*

**Subprogram Description:**

The Collections subprogram secures the payment of receivables, delinquent taxes and filing of delinquent returns through telephone, correspondence and field contacts with taxpayers and performs activities to identify and license previously unlicensed businesses.

Performance Measures	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,789.4	8,519.4	8,519.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>7,789.4</b>	<b>8,519.4</b>	<b>8,519.4</b>
FTE Positions	240.0	239.5	239.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of collection activities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of non-audit revenue to total revenue.	94.9	95.6	95.8	95.9
● Percent of accounts that collector contacts within 30 calendar days of that account being assigned a delinquent account.	50	43	50	50
● Percentage of delinquent accounts collected.	9.5	10.8	10.0	10.0

- ◆ Goal 2 - To increase fiscal responsibility.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Ratio of revenue collected per dollar spent.	7.84	7.11	7.25	7.50
● Total revenue collected per filled full time employee (FTE).	465,324	387,315	450,000	460,000

- ◆ Goal 3 - To process 80% of Offers-in-Compromise within 60 days, 90% within 90 days, and 100% within 180 days of Revenue Officer's receipt.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Offers-in-Compromise processed within 60 days.	72	75	80	80

RVA.3.4                      SUBPROGRAM SUMMARY  
**ENFORCEMENT**

Contact: Nick Buta, Quality Executive  
Phone: (602) 716-6891  
A.R.S., Title 42

**Subprogram Mission:**

*To 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.*

**Subprogram 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	784.4	402.0	402.0
Other Appropriated Funds	202.0	201.0	201.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	986.4	603.0	603.0
FTE Positions	10.0	10.0	10.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To complete 100 tobacco inspections in FY04.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of tobacco inspections/education visits completed.	2,434	157	75	75

FY 04 estimates are down due to change in priority from inspections to criminal investigations of counterfeit activities, which take much more time.

- ◆ Goal 2 - To promote enforcement production.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total revenue collected in the Collections Division (in millions).	240	241	282	282

- ◆ Goal 3 - To increase the number of grand jury indictments.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of grand jury indictments annually.	0	2	8	10

Staff shortages have curtailed pursuit of grand jury indictments.

- ◆ Goal 4 - To obtain police contacts in various cities within the state by conducting personal visits to police departments.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of visits to police departments to establish contacts.	21	10	10	15

RVA.4                      PROGRAM SUMMARY  
**AGENCY SUPPORT**

Contact: Nick Buta, Quality Executive  
Phone: (602) 716-6891  
A.R.S., Title 42

**Program Mission:**

*To 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.*

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	21,395.4	20,611.5	20,611.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	21,395.4	20,611.5	20,611.5
FTE Positions	172.0	168.0	168.0

**RVA.4.1 SUBPROGRAM SUMMARY**  
**HUMAN RESOURCES**

Contact: Nick Buta, Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

**Subprogram Mission:**

*To 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.*

**Subprogram Description:**

The Human Resources subprogram is responsible for providing employee relations, benefits, recruitment and retention, performance evaluations, staff training and development, including classroom and self paced curriculum development; working with the Director in developing leadership courses; production of training videos; facilitating the recruitment and promotion of employees; and guidance and resolution of employee issues.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	642.4	659.8	659.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	642.4	659.8	659.8
FTE Positions	14.0	13.0	13.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To increase the level of employee satisfaction.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average annual turnover rate for employees.	12.64	11.36	12.00	12.00
● Average number of absenteeism days per employee per year (sick leave only).	9.41	8.78	9.00	9.00
● Overall average satisfaction rating on the annual employee survey (scale 1 to 5).	3.43	3.85	N/A	N/A

The Annual Employee Survey will be replaced by the Job Descriptive Index (JDI) survey to be administered for the first time in FY04.

◆ Goal 2 - To improve employee satisfaction as measured by the Governor's annual employee survey data by the end of FY2004.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of employees scoring the statement, "Overall, I am satisfied with my job" with a STRONGLY AGREE response.	14	15	16	17

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of employees scoring the statement, "I have the proper tools and equipment to do my work", with a STRONGLY AGREE response.	9	9	10	11
● Percent of employees scoring the statement, "Senior management (assistant director and above) in my agency show care and concern for employees", with a STRONGLY AGREE response.	15	18	19	20
◆ Goal 3 - To increase the level of employee training and development.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of non-probationary (original or promotional) employees who have not completed mandated training.	N/A	N/A	5	4
● Percent of permanent status employees who completed at least 8 hours of career development training (any non-mandated training delivered in a variety of formats including self-study, classroom training, community college classes, seminars or workshops).	N/A	N/A	85	90
◆ Goal 5 - To increase cost effectiveness of administrative services.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration as a percentage of total cost.	6.4	6.5	6.4	6.4

**RVA.4.2 SUBPROGRAM SUMMARY**  
**INFORMATION SERVICES**

Contact: Nick Buta, Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

**Subprogram Mission:**

To 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.

**Subprogram Description:**

The Information Services subprogram maintains and provides access to the statutorily mandated archival files of department records and tax returns filed with DOR; microfilms individual and corporate documents and records; operates the warehouse; 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; administers the Department's telecommunications systems, including its key system and call center; operates and maintains the Agency'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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	10,092.7	9,664.9	9,664.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	10,092.7	9,664.9	9,664.9
FTE Positions	94.0	92.0	92.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure the local and wide area network (LAN/WAN) is available 99.8% of the time.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of time the local and wide area network (LAN/WAN) is available.	99.3	99.8	99.6	99.7

- ◆ Goal 2 - To complete 99.5% of scheduled and requested daily production runs.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of completed production jobs without errors.	99.2	99.1	99.4	99.4

RVA.4.3      **SUBPROGRAM SUMMARY**  
**SUPPORT SERVICES**

Contact: Nick Buta, Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

**Subprogram Mission:**

To 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 will include 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.

**Subprogram 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 and sections are completed within prescribed time frames and according to agency policies; provides legal counsel to the Director, including appeals of audit cases to the Director; develops programs and policies 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	10,660.3	10,286.8	10,286.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	10,660.3	10,286.8	10,286.8
FTE Positions	64.0	63.0	63.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve our systems and process control through implementation of Business Reengineering/Integrated Tax Systems (BRITS)

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate

- Rating score of the Change Management Communication survey administered to gauge how well the Change Management Team is doing in communicating updates on the BR/ITS project.

The BRITS team will focus on the quality of communication during the reengineering process.

- ◆ Goal 2 - To complete 100% implementation of ongoing Business Reengineering/Integrated Tax System (BRITS) deliverables in a timely manner according to existing project timelines and release schedules.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate

- Percent of milestones/deliverables successfully tested and completed.



**AGENCY SUMMARY**  
**SECRETARY OF STATE - DEPARTMENT OF STATE**

Jan K. Brewer, Secretary of State STA  
 Contact: Kevin Tyne, Assistant Secretary of State (602) 542-4919  
 ARS § 41-121 et seq; 29-301 et seq; 44-1271 et seq; 44-1441

FTE Positions 39.0 40.0 40.0

**Strategic Issues**

**Strategic Issue Number: 1**

*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 on ballot measures, and provide pamphlets in Spanish and Native American translation.

**Strategic Issue Number: 2**

*Fully implement newly required federal and statewide election reforms.*

The recently adopted Help America Vote Act requires the implementation of several new federal and statewide election reforms. The Secretary of State intends to expand on the strategies laid out in the Arizona HAVA State Plan. We are aiming to aggressively implement Arizona's new statewide voter registration list. Efforts will also be made to enhance and upgrade voting devices and do away with antiquated punch card machines as part of the "Adios Chad" program. Implement, along with local election officials, a new overseas and military voter system and voter fraud hotline. Increase voter education and voter outreach while specifically working to better teach the importance of voting to our younger citizens. Work directly with all 15 counties to improve physical accessibility to polling places, provide more training of poll workers and election officials. Continue to lobby the federal government for monetary assistance to meet these new federal mandates.

**Strategic Issue Number: 3**

*Develop new statewide voting system action plan.*

Formulate a new Arizona Voting System Action plan to ensure integrity in our elections and thus building additional confidence in the accuracy and reliability of our election process. Introduce formal state voting system security guidelines. Establish (semi-annual) post-election committee meetings among state and county election officers to identify and recommend voting system process improvements. Increase the sharing of information amongst election offices that share similar voting equipment with the establishment of voting system user groups (including vendors and local jurisdictions). Provide formal security awareness information, training, education, and procedures within the election workforce. Review and enhance current State certification policies and standards for voting equipment.

**Strategic Issue Number: 4**

*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. We intend 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 the taxpayer with the best return on their investment in state government as it specifically relates to our office.

**Strategic Issue Number: 5**

*Build additional improvements in meeting our business services mandates.*

**Agency Mission:**

To serve the people of the State of Arizona; to execute with integrity the duties required by the Arizona Constitution; and to provide accurate and timely information while ensuring that public dollars are well spent. The mission of the Secretary of State's office is also to provide stewardship of public resources by: facilitating access and efficiently maintaining the filing of government records and information; encouraging participation and demanding honesty in the state's election process; effectively working with counties to implement a uniform, statewide voter registration system; expeditiously and efficiently upgrading our State voting devices; offering registration and certification services of business transactions; fulfilling publishing requirement of all official acts of the State of Arizona including its chapter laws, rules and regulations; appointing notaries public and maintaining their filing information; attesting to all official acts of the Governor; and acting as an ambassador for the State of Arizona, its people, and its way of life.

**Agency Description:**

The Department of State was created by the Arizona Constitution and 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. The Secretary of State's office receives and records various filings, including Uniform Commercial Code transactions, trademark and trade name registrations, limited partnership and limited liability partnership filings. The Secretary of State is also the "Chief State Election Officer" who administers election functions, including canvass and certification of statewide elections; and coordinates statewide voter registration as pursuant to National Voter Registration Act of 1993. The office is also responsible for registration of lobbyists and acceptance of periodic lobbyist filings 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 the state's boards and commissions; appoints notaries public; and applies apostilles to all international transactions.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	758.8	952.9	1,064.4
➤ BUSINESS SERVICES	798.3	843.2	881.8
➤ PUBLIC SERVICES	420.6	437.4	487.4
➤ ELECTION SERVICES	3,462.8	24,925.2	13,259.8
Agency Total	5,440.5	27,158.7	15,693.4

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	5,389.7	5,183.0	6,557.2
Other Appropriated Funds	0.0	0.0	9,000.0
Other Non-Appropriated Fund	50.8	14,956.9	136.2
Federal Funds	0.0	7,018.8	0.0
Agency Operating Funds Total	5,440.5	27,158.7	15,693.4



Increase the availability of accurate and reliable information as measured in terms of the increased number of people starting business. Such increases directly correlate to population growth here in Arizona. The Secretary of State's Business Services Division seeks to increase resources to better meet this increased workload and properly address overall state mandates regarding business services. We 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 and user-friendly information. Cross train staff in order that they can better assist customers regardless of the request. Reduce the processing time of all business service applications.

**Strategic Issue Number: 6**

*Address current staffing shortfall and lack of resources.*

Strategic planning is a cyclical process that requires feedback on the customer's satisfaction as compared with the results we are achieving. This cycle is important to this office in trying to achieve all of our goals in an efficient manner. The lack of funds to reach our strategic goals will very negatively affect our ability to perform at the levels mandated by law and still provide the quality services our customers expect. By addressing the lack of resources and staffing shortfalls, our office will be able to: 1) reduce staff overtime to meet mandated deadlines, 2) increase the response time in delivering service to our 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.

STA.1                      PROGRAM SUMMARY  
**ADMINISTRATION**

Contact: Kevin Tyne, Asst. Secretary of State  
 Phone: (602) 542-4919  
 Constitution & A.R.S. § 41-121 et seq.

**Program Mission:**

*To provide guidance, leadership and support to the staff of the Secretary of State's Office.*

**Program Description:**

The Administration anticipates requests of services from the public, candidates, elected officials, media and business community to increase. In order to accommodate these request we shall provide timely, efficient, filing and retrieval of information by offering advanced automation to our customers. The Administration provides technology support and monitors financial management, accounting (accounts receivable, accounts payable, payroll) budget, procurement, human resources and training services for Administration, Business Services, Public Service and Election Divisions. Agency Director and the financial officer support the leadership and policy making duties; responsible for the obtaining, enhancing and sustaining all office resources including information systems, e.g. procurement, accounting, and strategic technology, computer networks, SOS website, human resources and office facilities.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	758.8	952.9	1,064.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>758.8</b>	<b>952.9</b>	<b>1,064.4</b>

FTE Positions	9.0	9.0	9.0
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**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of transactions processed electronically.	10	15	30	30
● Percentage of completion of customer support knowledge base.	0	60	90	90
● Percentage of election reporting electronically for public inspection on-line.	N/A	N/A	95	95
● Percentage of completion of lobbyist expenditure reporting to enhance public access to records.	80	100	100	100

- ◆ Goal 2 - To develop and implement an effective automation information systems to enhance public interaction with the Secretary of State's office

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of conversion project of on-line Trade Name/Trademarks search capabilities.	100	100	100	100
● Percent of conversion project of on-line telemarketer search capability.	100	100	100	100
● Percentage of project completion to enhance Secretary of State's website by integrating with other government services for e-government approaches.	30	10	25	25

- ◆ Goal 3 - To improve the efficiency of personnel, benefits, payroll, and procurement process through electronic automation.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● To improve the efficiency of personnel procedures by offering forms on SOS Intranet.	75	80	90	100
● To upgrade the intra-agency website to access procurement forms.	50	80	90	100
● To automate purchase orders and tracking expenditures by divisions.	85	90	100	100
● To automate payroll timesheets and leave slip forms.	100	100	100	100
● To automate deposit reconciliation forms to expedite and process accurately.	80	90	100	100

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◆ Goal 4 - To lead and develop a strategic direction for electronic signature acceptance and use through policy and education for the state

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of agencies using electronic signatures.	10	20	50	80
● Percent of agencies trained on implementation of electronic signature acceptance.	12	30	40	50
● Percent of lobbyists using electronic filing through e-signature capabilities.	75	40	50	60
● Percentage of completion of upgrading Trade name/ Trademark processing through e-signature capabilities.	0	Baseline	10	20
● Percentage of completion of upgrading partnership administrative records processing through e-signatures capabilities.	0	Baseline	10	20
● Percentage of notary public applications renewals over the Internet.	0	Baseline	10	20

● Customer Services Center for increased accessibility for customers.	100	100	100	100
● Provide customers alternate electronic procedures for filings and registrations.	25	25	35	50
● Charitable Organizations turn-around time (# of business days).	20	5	5	5
● Number of Intergovernmental Agreement (IGA) amendments.	1,138	1,325	1,400	1,425

◆ Goal 2 - To provide public disclosure through easy, accessible information and public documents, and on-line database search capabilities from our Web site.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of on-line access of charitable organizations filed.	100	100	100	100
● Percentage of Limited Partnerships microfiche converted to electronic format.	15	0	60	80
● Percentage of UCC - Microfiche converted to electronic data.	95	100	100	100
● Number of UCC searches using on-line resource versus employee interaction (# of online searches & searches that were paid for).	N/A	200,000	200,000	200,000
● Percentage of conversion of Trade names/ Trademarks microfiche converted to electronic format.	0	0	20	30
● Percentage of implementation of revisions pertaining to Revised Article 9 of the Uniform Commercial Code.	100	100	100	100
● Percentage of filed Athlete Agents information on-line.	0	0	100	100
● Percentage of Athletic-Agents forms and statues on-line.	0	0	60	80
● Percentage of filed partnership information on-line.	15	100	100	100
● Percentage of Trade name/Trademark forms on-line.	100	100	100	100
● Number of Trade names and Trademarks filed per month.	3,000	2,500	2,500	3,000
● Number of partnerships on file per month.	500	150	200	200
● Number of UCC records filed per month (AVG) (initials 3374; 2148 subsequents/mo).	6,800	5,700	5,800	5,800

◆ Goal 3 - To provide service to allow Notaries Public to perform their duties accurately and efficiently in the state.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of notaries commissioned (8,440 renewals).	74,000	20,000	20,000	20,000
● Number of Notary seminars.	20	15	17	24

STA.2                      PROGRAM SUMMARY  
**BUSINESS SERVICES**

Contact: Gene Palma, Director  
 Phone: (602) 542-3060  
 A.R.S. § 29-301 et seq.; 44-1271 et seq.; 44-1441 et seq.

**Program Mission:**

*To support and provide resources to the business community through efficient and accurate filings. To provide public information in an easily accessible format.*

**Program 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, and to commission notaries public.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	747.5	722.0	760.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	50.8	121.2	121.2
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>798.3</b>	<b>843.2</b>	<b>881.8</b>
FTE Positions	16.0	17.0	17.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To serve the public by providing printed materials accurately and expeditiously.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Notary handbooks printed and distributed.	32,000	4,105	50,000	59,000
● Percentage of filed Notary information on-line.	100	100	100	100
● Percentage of people accessing information on-line versus in person.	25	80	85	100
● Notary applications turn-around time (# of business days).	10	10	8	5
● Complaint resolution turn-around time (# of days), including investigation by AG's office.	200	60	60	60

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of other publications (minimum 25 pages) (Legislative Directory, Code Price List, Notary Workbooks, Notary Handbooks, Notary Law Books, General Office Brochures, Elections materials, Trade name/ Trademark Books, Uniform Commercial Code, Bingo Law & Rules and other miscellaneous publications printed and distributed.	300,000	104,070	110,000	110,000
● Number of Arizona Revised Statute subscribers ( No longer mandated, effective September 2003).	29	28	0	0
● The number of Arizona Reports Distributed, average two volumes per year subscriber, some get more (no longer mandated, effective September 2003).	730	698	0	0
● Number of Arizona Administrative Register subscribers (Added FY '04).	N/A	185	175	170
● Chaptered bill subscriber (The number of people requesting all Bills filed) (added in FY '04).	N/A	268	250	250
● Number of Executive Orders (EO) filed.	N/A	29	32	25
◆ Goal 2 - To develop new brochures, booklets and other publications as mandated by law or requested by the public; to print them in-house as required with 30-35% using the four-color process.				

<p>STA.3                      PROGRAM SUMMARY <b>PUBLIC SERVICES</b></p> <p>Contact: Scott Cancelosi, Acting Director Phone: (602) 542-4751 A.R.S. § 41-311 et seq.; 41-1001 et seq.</p>
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**Program 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, serve the public efficiently and professionally.*

**Program Description:**

The Public Services Division files and publishes the rules of the 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 & United States Constitution, the Residential and the Mobile Home Park Landlord and Tenant Acts, the Arizona Notary Public Handbook, the Legislative Directory, the Arizona Blue Book and numerous other documents, pamphlets, booklets, etc.; reproduces for public distribution the Chapter Laws as passed by the legislature and signed by the Governor.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	420.6	422.4	472.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	15.0	15.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>420.6</b>	<b>437.4</b>	<b>487.4</b>
FTE Positions	6.0	6.0	6.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To serve the public by providing printed materials accurately and expeditiously.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Chapter Laws publications distributed; misc legislative filings, veto letters.	290	313	320	320
◆ Goal 3 - To provide service that allow agencies, boards and commissions to develop rules accurately and efficiently.				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of rules and rule-related items filed.	3,700	1,212	1,200	1,200
◆ Goal 4 - To serve the public by providing materials on-line accurately and expeditiously				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of people accessing the Arizona Administrative Register on-line per month.	1,800	1,114	2,000	2,000
● Number of people accessing the Arizona Administrative Code on-line per month.	7,000	5,153	9,000	9,000
● Percentage of Administrative Register available via the Internet in conjunction with publication date.	100	98	100	100

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of people accessing Arizona Blue Book on-line per month.	1,800	911	1,500	1,200

FTE Positions	8.0	8.0	8.0
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**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Campaign Finance data available on-line.	100	100	100	100
● Number of Campaign Finance reports filed.	3,000	4,300	4,300	4,300
● The number of Principal/ Public Body Lobbyists registered.	1,600	1,600	1,700	1,431
● The number of Campaign Committees registered.	680	680	750	750
● Percentage of people accessing Campaign Finance report via Internet versus in person.	85	90	90	100
● Percentage of people accessing Political Action Committee reports via Internet versus in-person.	95	99	99	95
● Number of Standing Political Committees registered.	26	35	30	35
● Number of Campaign Finance seminars.	12	10	5	8

- ◆ Goal 2 - To coordinate statewide voter registration as provided under the National Voter registration Act of 1993.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of people accessing on-line voter outreach information.	0	3,000	4,000	4,000
● The number of publicity pamphlets printed and distributed (in thousands).	N/A	1,400.0	2,000.0	1,500.0
● The number of registered voters (in thousands).	2,300.0	2,229.2	2,500.0	2,500.0
● The number of Town Hall meetings per year.	30	27	N/A	40



STA.4                      PROGRAM SUMMARY  
**ELECTION SERVICES**

Contact: Mary Jo Kief, Director  
 Phone: (602) 542-6167  
 A.R.S. § 16-101 et seq.; 19-101 et seq.; 38-541 et seq.

**Program Mission:**

*To provide professional, courteous service in the administration of campaign finance and lobbyist laws; candidate and ballot measure filings; training and certification of county recorders and election officials; develop and implement coordination of statewide voter registration; review and certification of election equipment used by the counties; conduct logic and accuracy tests prior to each election on counties' vote counting devices; conducting a voter outreach program; provide information to the public on ballot measures through publication of the publicity pamphlet and Town Hall meetings; and retrieval of 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 ensure improvement to the state election process through the replacement of existing punch card voting systems, encourage election accessibility for individuals with disabilities, and create a new statewide voter registration database. Election Services will partner with the County Reorders and Election Officials through coordination, cooperation and collaboration to provide new and innovative technology to ensure federally-mandated statewide election reform.*

**Program 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 and 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; creating and implementing a voter outreach program. 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. The State will create a new uniform statewide voter registration system; will certify new and existing voting systems according to national standards; replace all punch card voting devices used by counties for elections; improve voting device accessibility; maintain uniform election procedures and certification of election officials and poll workers; increase voter education for new voting systems; and establish a statewide complaint system for a uniform nondiscriminatory response to grievances.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,462.8	3,085.7	4,259.8
Other Appropriated Funds	0.0	0.0	9,000.0
Other Non-Appropriated Fund	0.0	14,820.7	0.0
Federal Funds	0.0	7,018.8	0.0
<b>Program Total</b>	<b>3,462.8</b>	<b>24,925.2</b>	<b>13,259.8</b>

**AGENCY SUMMARY**  
**SENATE**

Ken Bennett, President of the Senate SNA  
 Contact: Rob Dalager, Director of Operations (602) 926-5418  
 Constitution Art. 4, Part 1, Section 1

**Agency Mission:**

To serve the Arizona constituency through policy development and enactment of legislation in support of the public health, safety and welfare.

**Agency 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 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	5,954.3	6,169.8	6,169.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>5,954.3</b>	<b>6,169.8</b>	<b>6,169.8</b>
FTE Positions	0.0	0.0	0.0

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To conduct legislative business in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Days in Regular Session.	N/R	N/R	N/R	N/R
● Days in Special Session.	N/R	N/R	N/R	N/R



<b>AGENCY SUMMARY</b>	
<b>GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING</b>	
David P. Jankofsky, Director	OSP
Contact: Bonny Walter, Strategic Management Analyst	(602) 542-6194
A.R.S. § 35-101 et seq.	

**Agency 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.

**Agency 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, 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 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,638.5	1,683.0	1,683.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>1,638.5</b>	<b>1,683.0</b>	<b>1,683.0</b>
FTE Positions	22.0	22.0	22.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Limited resources*

The OSPB budget, like the rest of state agencies, has undergone significant budget reductions in recent years. Simultaneously, as the state has experienced budget shortfalls the demands on the office have escalated. The increased expectations combined with the diminishing resources have presented a significant management challenge. Automation efficiencies have allowed the office to meet those challenges while maintaining a high degree of accuracy.

**Agency Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of consecutive years without statewide mid-year reductions.	8	8	8	8

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of state agencies loading budgets into AFIS.	86.0	88	93	93
● Percent of non-technical supplemental appropriations compared to original appropriations.	N/A	0.4	0.5	0.5

- ◆ Goal 3 - To improve the efficiency and effectiveness of the state strategic planning and budgeting processes.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of participants rating budget and planning training as excellent or good.	97	97	91	95
● Percent of agencies submitting budget information electronically.	93	94.4	95	95
● Percent of agencies submitting Master List information electronically.	100	100	100	100
● Administration as percent of total cost.	10.2	13.9	13.8	13.8



**AGENCY SUMMARY**  
**STATE BOARD OF TAX APPEALS**

Ruben M. Medina, Executive Director TXA  
 Contact: Ruben M. Medina, Executive Director (602) 364-1102  
 A.R.S. § 42-1252

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number backlogged requiring written decision.	0	3	10	10
● Number of months to process appeal.	6.5	6.5	6.5	6.5



**Agency 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.

**Agency 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 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	240.3	273.1	273.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	240.3	273.1	273.3
FTE Positions	4.0	4.0	4.0

**Strategic Issues**

**Strategic Issue Number:**

*No strategic issues at this time*

**Strategic Issue Number: 1**

*Continue to expedite tax appeals in a timely manner to prevent any delays in the appeals process.*

The Board is current in handling tax appeals. Maintaining the appeals process at the current level continues to be the Board's priority. The issuance of timely decisions and the timely publication of such decisions benefits all parties involved as well as tax practitioners. Unforeseen legislative changes and court decisions may increase the Board's caseload which will again create delays and backlogs in the appeals process. For example, the legislation relating to the alternative fuel tax credits and recent AZ Supreme Court decisions relating to class action claims may result in a large increase in appeals. Furthermore, the Board's caseload is based on appeals filed from decisions of the Department of Revenue and the Office of Administrative Hearings, large increases in the number of decisions issued by these State agencies may also create delays and backlogs in the appeals process.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To receive and process tax appeals expeditiously to prevent any delays in the appeals process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Caseload processing (and number of issues).	115(260)	138(315)	200(400)	225(450)
● Number of tax appeals resolved.	16	39	80	80

**AGENCY SUMMARY  
OFFICE OF TOURISM**

Margie A. Emmermann, Director  
Contact: Linda Yuhas, Assistant Deputy  
Director  
A.R.S. § 41.2301-41.2306

TOA  
(602) 364-3718

**Agency Mission:**

To expand the volume of tourism activity and related expenditures through tourism promotion and development in order to enhance the economy of Arizona and the quality of life for all Arizonans.

**Agency Description:**

The Office of Tourism (AOT) employs a marketing and customer-service orientation in performing its statutory duties as follows: planning and developing a comprehensive in-state, national, and international marketing plan that includes advertising campaigns; travel sales and marketing programs; media and public communications; promoting and developing tourism-related business in Arizona; undertaking research to guide tourism development plans for the State and to establish the Office as a central clearinghouse for tourism-related data; and providing information and assistance as needed by citizens, business enterprises, industry organizations, and governmental agencies on matters related to the mission of the Office.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	900.0	900.0	900.0
➤ TOURISM PROMOTION	10,118.6	15,500.0	18,030.5
Agency Total	11,018.6	16,400.0	18,930.5

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,001.1	9,000.0	9,000.0
Other Appropriated Funds	2,017.5	0.0	0.0
Other Non-Appropriated Fund	0.0	7,400.0	9,930.5
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	11,018.6	16,400.0	18,930.5
FTE Positions	25.0	25.0	25.0

**Strategic Issues****Strategic Issue Number: 1**

*Responding to the dramatic and lingering effects that the sluggish economy, domestic and international terrorism threats, and other external factors have had on the travel and tourism industry in Arizona.*

Beginning with the economic downturn and the terrorist attacks of September 11, 2001, the travel and tourism industry has faced a series of setbacks in the past two years that have caused travel expenditures to plummet. Domestic and international travelers are changing their travel habits in response to ongoing economic uncertainty, war, terrorism, the Severe Acute Respiratory Syndrome (SARS) outbreaks and other concerns. These factors have also resulted in an oversupply of hotel space in the Arizona market and hence declining employment in the industry, which provides one of every five jobs in the state. Arizona must adapt to these trends in order to maintain a vibrant tourism industry that produces adequate jobs and economic development for the state.

**Strategic Issue Number: 2**

*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—market share, high spending visitor segments, high-quality golf, 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 needs more resources to launch a successful competitive response.

**Strategic Issue Number: 3**

*Adjusting destination marketing activities to account for the rapidly changing travel planning behaviors of Arizona's primary visitor segments.*

Competitive conditions are forcing successful destinations to orient both their marketing and product development efforts in ways that lead them to speak directly to the wants and needs of target customer segments. According to a study by the Travel Industry Association of America, more than two-thirds of online travelers are using the Internet for planning their trips and fully one-third now use the Internet for actually booking their trips. The ever expanding baby boomer market—one of Arizona's key visitor segments—is taking more frequent, but shorter trips, planning those trips with less lead time, and relying less on printed materials and more on the Internet for travel information. To successfully compete for this key segment against destinations that are employing sophisticated marketing methods, Arizona must remain on the cutting edge with enhanced customer relationship marketing techniques.

**Strategic Issue Number: 4**

*Improving 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. The successful expansion of Phoenix Civic Plaza will require short-term management solutions during the construction period and a long-term promotion strategy for the expanded facility.

**Strategic Issue Number: 5**

*Positioning the Grand Canyon as the gateway to extended visitation in Arizona to counter competitors' initiatives to siphon off the economic benefits of the Canyon.*

Arizona's signature tourism destination, the Grand Canyon, is positioned between prominent competing leisure tourism destinations (i.e. Southern California and greater Las Vegas) which often successfully integrate the Grand Canyon as a brief visit on itineraries that include much greater visitation and expenditure within these two destinations, rather than in Arizona. These traditional competitors feature numerous large-scale man-made attractions that generate significant pools of funding for destination marketing organizations that exceed those available in Arizona by many times. Arizona must promote creative packaging and partnerships by tourism destinations and communities in order to counter better-funded rivals.



**TOA.1 PROGRAM SUMMARY  
ADMINISTRATION**

Contact: Margie A. Emmermann, Director  
Phone: (602) 364-3717  
A.R.S. 41.2302 - 41.2305

**Program Mission:**

To provide effective support of all Arizona Office of Tourism (AOT) functions through development and maintenance of efficient, comprehensive, and innovative management systems.

**Program Description:**

Business administration includes the Business Affairs Department, the Finance Department, 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	900.0	900.0	900.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>900.0</b>	<b>900.0</b>	<b>900.0</b>
FTE Positions	6.0	6.0	6.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To ensure the efficient, timely, and accurate administration of AOT's financial and business affairs.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of invoices paid within 30 days.	89	93	90	90
● Average number of days for processing invoices received.	17.3	20	20	20
● Administration as a percent of total cost.	4.8	4.0	3.6	3.4

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Hours of certified training in procurement.	24	16	16	16

**TOA.2 PROGRAM SUMMARY  
TOURISM PROMOTION**

Contact: Margie A. Emmermann, Director  
Phone: (602) 364-3717  
A.R.S. 41.2302 - 41.2305

**Program Mission:**

To coordinate all of AOT'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.

**Program 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. Also, operating the 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	8,101.1	8,100.0	8,100.0
Other Appropriated Funds	2,017.5	0.0	0.0
Other Non-Appropriated Fund	0.0	7,400.0	9,930.5
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>10,118.6</b>	<b>15,500.0</b>	<b>18,030.5</b>
FTE Positions	19.0	19.0	19.0

**TOA.2.1 SUBPROGRAM SUMMARY  
STATE TOURISM PROMOTION**

Contact: Margie A. Emmermann, Director  
Phone: (602) 364-3717  
A.R.S. § 41.2302 - 41.2305

**Subprogram Mission:**

*To create an awareness of and demand for Arizona as a tourism destination for domestic and international visitors, through innovative partnerships and superior marketing, community outreach and visitor services programs.*

**Subprogram 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 Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	8,101.1	8,100.0	8,100.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>8,101.1</b>	<b>8,100.0</b>	<b>8,100.0</b>
FTE Positions	19.0	19.0	19.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To offer the tourism industry in Arizona the opportunity to participate with AOT in cost-efficient and effective advertising programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Constituent satisfaction with AOT advertising programs (scale 1-5, 5=extremely satisfied).	3.3	3.68	3.8	3.8

- ◆ Goal 2 - To educate, motivate, and assist the travel industry to create and market group and individual tour packages to Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Sales leads/meetings produced by international tradeshows and representatives.	315	353	370	380
● Trade inquiries generated/fulfilled by international representatives.	8,455	6,981	7,000	7,100

- ◆ Goal 3 - To assist communities and tourism-related businesses in Arizona to develop tour and travel programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of participants in AOT's outreach programs and one-on-one counseling sessions.	106	181	115	120
● Constituent satisfaction with AOT travel industry marketing programs (scale 1-5, 5=extremely satisfied).	3.3	3.6	3.5	3.6
● Number of trade familiarization tours and site inspections assisted or hosted by AOT.	25	26	27	28

- ◆ Goal 4 - To generate positive media coverage for Arizona tourism and the Arizona Office of Tourism.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Circulation of domestic print articles about Arizona generated by AOT efforts (in millions).	207	131	225	230
● Advertising value of domestic articles about Arizona generated by AOT efforts (\$ in millions).	13	10	12	12.5
● Sales leads and inquiries generated by attendance at trade shows.	80	166	120	120
● Circulation of international print articles about Arizona generated by AOT efforts (\$ in millions).	143	231	175	185
● Number of hits received on online Press Room for immediate media fulfillment.	N/A	6,500	7,500	7,500

- ◆ Goal 5 - To assist communities with their media communications programs by consulting and providing expertise.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of media leads sent to the local agencies for direct fulfillment.	N/A	103	90	90
● Constituent satisfaction with media relations programs and activities (scale of 1-5, 5=extremely satisfied).	3.5	3.71	3.5	3.5

- ◆ Goal 6 - To respond in a timely manner to requests for information from the travel industry, governmental policy makers, and the public with relevant and credible tourism research.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of responses to requests for information from the Arizona Office of Tourism/Northern Arizona University tourism library.	250	174	N/A	N/A
● Constituent satisfaction with AOT's role as a clearinghouse for tourism data (scale of 1-5, 5=extremely satisfied).	3.8	3.75	3.8	3.8

- ◆ Goal 7 - To increase the number of participants in rural tourism marketing workshops and increase the overall satisfaction of the rural tourism marketing workshops (TEAM).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of constituents participating in the workshops.	112	127	130	140
● Constituent satisfaction with workshops (on a scale of 1-5, 5=extremely satisfied).	4.86	4.07	4.90	4.90

◆ Goal 8 - To expand the volume of tourism activity through tourism promotion and development.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of domestic tourists (in millions).	27.1	26.9	27.0	27.2

◆ Goal 9 - To increase tourism-related marketing activity in communities throughout Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of communities participating in the grant program.	68	80	88	90
● Constituent satisfaction with matching grant program (scale of 1-5, 5=extremely satisfied).	3.8	3.91	4.0	4.0

◆ Goal 10 - To distribute AOT materials to communities and constituents in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Constituent and community satisfaction with distribution of AOT materials (scale of 1-5, 5=extremely satisfied).	4.0	4.18	4.0	4.0

◆ Goal 11 - To standardize operating procedures and to enhance levels of customer service at state-wide designated visitor centers throughout Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of local visitor centers in compliance with standardized operating procedures.	8.6	23	25	30
● Constituent level of satisfaction with workshops (scale of 1-5, 5=extremely satisfied).	3.5	3.9	4.0	4.2

◆ Goal 12 - To encourage visitors who stop at the Painted Cliffs Welcome Center to visit more attractions and to extend their stay in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of visitors who gained added knowledge of Arizona as a result of their visit to the PCWC.	N/A	88	90	90
● Percent of visitors who extended their stay in Arizona as a result of their visit to the PCWC.	N/A	18	20	22
● Number of visitors to the Welcome Center.	102,222	73,758	100,000	103,000

◆ Goal 13 - To efficiently use advertising resources to generate demand for Arizona tourism information.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cost per inquiry for advertising-generated requests for Arizona travel planning information (in dollars).	8.01	11.53	11.50	12.00

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of inquiries for Arizona travel packet (in thousands).	287.2	269.4	280.0	300.0
● Increased awareness of Arizona as a tourism destination as a result of AOT's advertising efforts in selected target markets (in percentage points).	N/A	11	5	5
● Percent of respondents who took specific action related to planning a vacation to Arizona after seeing AOT advertising in selected target markets.	N/A	17	20	20
● Number of visitors to AOT's consumer web sites for Arizona travel planning information (in thousands).	1,084	2,430	2,600	2,700
● Customer satisfaction rating for travel kits program (scale 1-5, 5=very satisfied).	4.5	4.3	4.2	4.2

**TOA.2.2 SUBPROGRAM SUMMARY**  
**IN-STATE TOURISM PROMOTION (PROP 202)**

Contact: Margie A. Emmermann, Director  
 Phone: (602) 364-3717  
 A.R.S. § 41.2306

**Subprogram 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.*

**Subprogram Description:**

Proposition 202 funds are dedicated to enhanced tourism promotion of Arizona, augmenting the Arizona Office of Tourism's existing promotional efforts by funding new and expanded marketing programs. This augmentation will increase the reach and frequency of TOA 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	3,000.0	5,300.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>0.0</b>	<b>3,000.0</b>	<b>5,300.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To enhance the reach and frequency of existing AOT marketing programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Increase the number of gross impressions (in millions).	0.0	232	280	348
● Increase the number of media placements.	0.0	269	320	400
◆ Goal 2 - To expand the reach and frequency for emerging markets.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Increase the number of gross impressions aimed at multicultural markets (in millions).	0.0	0.0	100	120
● Increase the number of gross impressions in select target markets/cities (in millions).	0.0	0.0	75	100

TOA.2.3                      SUBPROGRAM SUMMARY

**MARICOPA COUNTY TOURISM PROMOTION**

Contact: Margie A. Emmermann, Director  
 Phone: (602) 364-3717  
 A.R.S. § 41.306

**Subprogram Mission:**

*To strengthen and expand Maricopa County cooperative tourism marketing through developmental assistance and financial support of Maricopa County destination marketing organizations.*

**Subprogram Description:**

Proposition 302 Maricopa County Grant is available only to 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 throughout Arizona.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,017.5	0.0	0.0
Other Non Appropriated Fund	0.0	4,400.0	4,630.5
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,017.5</b>	<b>4,400.0</b>	<b>4,630.5</b>
FTE Positions	0.0	0.0	0.0



<b>AGENCY SUMMARY</b>	
<b>STATE TREASURER</b>	
David Petersen, State Treasurer	TRA
Contact: E. Blaine Vance, Deputy State Treasurer	(602) 542-1448
A.R.S. § 41-171	

**Agency Mission:**

To provide banking, custody, and investment services for all state agencies and public entities in a timely, prudent, and cost-effective manner.

**Agency 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 (LGIP) for public entities throughout the State.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,463.1	5,353.0	5,053.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>7,463.1</b>	<b>5,353.0</b>	<b>5,053.0</b>
FTE Positions	31.4	31.4	31.4

**Strategic Issues**

**Strategic Issue Number: 1**

*Changes in Receipting / Disbursing Practices*

Recent changes in the Arizona Revised Statutes and the evolution of banking practices have caused significant changes in the composition of receipts by this Office, and in payments made by State agencies. As examples, (1) The federal government is beginning to require that all of its payments for programs be made via electronic funds transfers (EFT). This results in significant increases in wire activity, with increases in staff time researching and matching EFT receipts and agency accounting documents; (2) The ADOA General Accounting Office recently began making vendor payments using EFT. Distributions to non-local governments currently performed by this Office will be reduced as EFT payments through AFIS increase. Eventually, payments to local governments may likewise be made via USAS EFT; (3) More State agencies are exploring accepting credit cards and debit cards. State policies in this area are needed and will be developed, in conjunction with ADOA, in the near future.

**Agency Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Deposits with the State Treasurer.	55,145	52,781	53,000	53,500

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Deposits/releases of state agency pledged securities.	1,000	1,000	1,050	1,075
• Book value of state agency pledged securities (in millions).	3,013.5	2,928.5	2,950.0	2,960.0
• Non-sufficient funds (NSF) checks processed.	7,839	7,901	7,925	7,950

- ◆ Goal 2 - To operate, in real-time, an investment tracking and portfolio management system that allows greater flexibility and enhances management as well as trade/position reporting. The desired result is increased rates of return when compared to our benchmarks.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Ratio of yield of LGIP to S&P LGIP Index.	1.21	1.59	1.09	1.10
• Ratio of yield of LGIP - GOV to 3 month Treasury Bill.	1.05	1.15	1.08	1.08
• Ratio of yield of Endowment Pools to Salomon Big Bond Index.	1.07	1.07	1.08	1.08
• Market Capitalization weighting error on Standard & Poor's 500 Index Fund (percent).	0.00	0.00	0.00	0.00

- ◆ Goal 3 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of wire transfers in and out of the servicing bank.	9,499	9,632	10,000	10,000
• Number of ACH transfers out of the servicing bank.	15,312	15,608	15,650	15,750
• Distributions to local governments (in millions).	5,230.6	5,055.6	5,100.0	5,151.0
• Distributions to others (in millions).	1,771.6	1,837.5	1,850.0	1,875.0



**AGENCY SUMMARY**  
**COMMISSION ON UNIFORM STATE LAWS**

James M. Bush, Commissioner  
Contact: Edward F. Lowry, Jr., Attorney  
A.R.S. § 41-1306

ULA

**Agency Mission:**

To establish and maintain uniformity in state laws.

**Agency Description:**

The Arizona Commission on Uniform State Laws investigates subjects concerning which uniform legislation throughout the United States is desirable and works with like commissions in other states. The commissioners are, by virtue of their appointment, also members of the National Conference of Commissioners on Uniform State Laws and work in committees with commissioners from other states in drafting legislation where uniformity is desirable. It recommends to the Governor and Legislature such proposed uniform laws promulgated by the National Conference as are deemed appropriate for Arizona.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	36.6	49.6	49.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	36.6	49.6	49.6
FTE Positions	0.0	0.0	0.0

**Strategic Issues****Strategic Issue Number: 1**

*The FY 2004 budget will not allow the commission to fulfil its statutory obligation in FY 2005.*

The commission does not have a budget large enough to absorb the increases in national dues and conference fees. The dues and fees increase each year and account for the majority of the commission's budget.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To represent Arizona's interests in uniform state laws.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of committees staffed.	9	9	9	9
● Uniform laws introduced in Arizona.	2	2	4	3
● Uniform laws enacted in Arizona.	1	1	3	3
● Acts approved and adopted by conference.	5	6	5	5





Health and Welfare





**AGENCY SUMMARY**  
**AHCCCS**

Anthony Rodgers, Director HCA  
 Contact: Tom Betlach, Deputy Director (602) 417-4711  
 A.R.S. § 36-2901 et seq.

**Agency Mission:**

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

**Agency Description:**

The Arizona Health Care Cost Containment System (AHCCCS) program is a partnership that includes the State, its counties, the federal government, program contractors and health plans from the public and private sector, and AHCCCS members. At the state level, the program is administered by the Arizona Health Care Cost Containment System Administration. The Administration's basic responsibility is to plan, develop, implement, and administer a health care program for low income Arizonans, based on competitively bid prepaid capitated contracts designed to provide quality health care while containing costs. The Administration's main responsibilities are setting policy and controls for eligibility administration, member enrollment, quality assurance of medical care, provider and plan oversight, and procurement of contract providers. The major medical programs are acute care, behavioral health services, and long term care. The Administration also determines eligibility for the Arizona Long Term Care System, Children's Health Insurance Program (KidsCare), Qualified Medicare Beneficiaries, and for other SSI related Medical Assistance Only programs. Federal funding through Title XIX of the Social Security Act is provided to AHCCCS by the Center for Medicare and Medicaid Services (CMS), which is under the Department of Health and Human Services.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	1,157,542.5	1,332,122.5	1,553,911.8
➤ LONG-TERM CARE (ALTC)	716,039.2	825,404.4	926,085.4
➤ ACUTE CARE	1,771,256.2	1,985,840.1	2,187,245.9
➤ PROPOSITION 204 - SENATOR ANDREW NICHOLS COMPREHENSIVE HEALTH INSURANCE COVERAGE ACT	755,488.2	965,241.8	1,251,135.7
➤ HEALTHCARE GROUP	28,366.7	35,169.0	37,266.6
➤ CHILDREN'S HEALTH INSURANCE (CHIP)	79,484.6	112,699.2	84,960.4
➤ PREMIUM SHARING	15,405.1	6,225.8	0.0
➤ MEDICAID IN THE PUBLIC SCHOOLS (MIPS)	60,712.1	82,134.8	91,471.4
Agency Total	<u>4,584,294.6</u>	<u>5,344,837.6</u>	<u>6,132,077.2</u>

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	590,944.9	679,335.1	963,772.6
Other Appropriated Funds	80,681.3	114,869.4	88,573.2
Other Non-Appropriated Fund	1,024,261.2	1,015,828.2	1,126,177.3
Federal Funds	2,888,407.2	3,534,804.9	3,953,554.1
Agency Operating Funds Total	<u>4,584,294.6</u>	<u>5,344,837.6</u>	<u>6,132,077.2</u>

FTE Positions	3,125.8	3,125.8	3,447.8
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**Strategic Issues**

**Strategic Issue Number: 1**

*Significant increases in the medical care cost largely attributable to hospital/physician costs, new technology and rising pharmacy costs, requires AHCCCS to evaluate and control cost drivers to maintain viable contractors and assure quality care.*

Any number of studies has been done to document the double-digit increases in health care coverage during 2003. A recent study conducted by Mercer and Associates and Foster Higgins showed an average trend of 14% increases in the western region of the U.S. prior to 2003. Of concern to health care economists is the nature of the increases- provider shortages and new technology are difficult to ameliorate over the short term. Expanded technology use is not reversible nor would you want it to be. Provider shortages either by geographic area or specialty can be corrected but generally require a significant time to correct. The mechanism in place in Arizona to manage the health care of low-income individuals is managed care including disease management techniques. AHCCCS acute care plans require a 13.4% rate increase for 2003-2004, in October 2003 the new contracted delivery system for covering a million AHCCCS members will begin. One million members provide AHCCCS with some leverage to secure discounts and competitive rates. It is important that AHCCCS is able to contract with organizations sufficient in scope to cover all of Arizona, our diverse special populations and still provide quality care at a cost effective rate.

HCA.1 **PROGRAM SUMMARY**  
**ADMINISTRATION**

Contact: Anthony Rodgers, Director  
 Phone: (602) 417-4711  
 A.R.S. Title 36; Title XIX, SSA

**Program Mission:**

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

**Program Description:**

The Administration contracts with program contractors and health plans, which agree to accept a capitated monthly payment for the cost of providing medical care to enrolled members. Administration responsibilities related to health plan and program contractor contracting include rate negotiations, financial and operational oversight of health plans and program contractors, and quality of care assessment. 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 Administration responsibilities 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 performing 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**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	45,603.5	48,860.6	76,511.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	450,229.0	456,599.2	534,605.5
Federal Funds	661,710.0	826,662.7	942,795.3
<b>Program Total</b>	<b>1,157,542.5</b>	<b>1,332,122.5</b>	<b>1,553,911.8</b>
FTE Positions	2,088.5	2,088.5	3,284.8

HCA.1.1                      SUBPROGRAM SUMMARY  
**CENTRAL ADMINISTRATION**

Contact: Anthony Rodgers, Director  
 Phone: (602) 417-4711  
 A.R.S. § 36-2901

**Subprogram Mission:**

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

**Subprogram Description:**

Central Administration consists of six operating offices or divisions, which provide the following services: Office of the Director provides the overall policy direction for the agency with specific staff dedicated to public information, community resources, government relations and coordinating the agency strategic plan. Information Services Division develops, maintains and acquires automation for the agency. The Division of Business and Finance oversees internal financial operations, third party liability, contracts, budget development and monitoring, purchasing, and facilities management. Human Resource Development provides training, personnel assistance, guidance on organizational development as well as equal opportunity. The Office of Legal Assistance provides legal counsel for AHCCCS; manages contracted legal services; and provides members, contractors and providers a fair, expeditious, and cost effective process to informally adjudicate grievances. The Office of Program Integrity is responsible for the prevention, detection, and investigation of fraud and abuse by providers, health plans, and members in the AHCCCS program. AHCCCS is going through a reorganization to place more emphasis on our Fee For Service health care; we are establishing a new program division called Division of Fee For Service Management, which will include provider registration, prior authorization, and claims administration.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,311.5	10,049.4	11,923.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	9,147.6	10,027.0	10,027.0
Federal Funds	12,712.7	15,170.1	16,252.3
<b>Subprogram Total</b>	<b>31,171.8</b>	<b>35,246.5</b>	<b>38,203.2</b>
FTE Positions	306.0	306.0	391.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To oversee the development and implementation of the AHCCCS Quality Initiative (AQI) with an emphasis on enhancing teamwork and improving customer relations.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Organizational & automation training hours per employee.	46	34.1	35	35
● Percent of AHCCCS' employee turnover.	14	15.4	15	14

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of benefit of the cost of audits and investigations of reports of fraud and abuse.	502	309	310	310

- ◆ Goal 3 - To provide information to the general public, minority communities, organizations, and liaison with the media and government officials.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of customers satisfied.	91	93	93	93

- ◆ Goal 4 - To oversee the agency litigation and to ensure the agency implements its goals in compliance with state and federal statutes and regulations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of assigned projects reviewed within 30 days.	95	95	95	95

- ◆ Goal 5 - To monitor the status of the AHCCCS program waiver and coordinate submission of required deliverables to DMS.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of timely submissions of "Waiver and Special Terms and Conditions" documents, reports and State Plan Amendments to CMS.	100	100	100	100

- ◆ Goal 6 - To maintain accurate AHCCCS statutes, regulations, and the State Plan to ensure compliance with federal and state legal requirements.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of timely submissions and approval of rule packages.	99	100	100	100

- ◆ Goal 7 - To resolve problems raised to the Director's Office by customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of inquiries responded to within three days regarding client service issues.	95	95	95	95

- ◆ Goal 8 - To develop, maintain, and enhance computerized PMMIS application systems as dictated by cost efficiencies and agency needs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of time the PMMIS is available to our users.	99	99	99	99

- ◆ Goal 9 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of invoices paid within 30 days.	98	96	95	95
● Percent of total programmatic payments completed electronically.	89	89.6	90	90
● Percent of FFS claims adjudicated within 30 days.	98.5	95	95	95

- ◆ Goal 10 - To administer an effective and efficient informal grievance process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of enrollees filing a grievance.	.2	.2	.3	.3

- ◆ Goal 11 - To develop provider standards for provider registration and provider network standards to measure availability and accessibility of services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of provider registration standards maintained.	100	100	100	100

HCA.1.2 SUBPROGRAM SUMMARY

**PASS-THRU TO OTHER STATE AGENCIES**

Contact: Tom Betlach, Deputy Director  
 Phone: (602) 417-4711  
 A.R.S. Title 36, Title XIX, SSA

**Subprogram Mission:**

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

**Subprogram 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 (IANF), 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 cost 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. The 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. 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.)

- ◆ Goal 3 - To monitor DES' timely determinations of disability status to allow timely ALTCS eligibility determinations.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of eligibility determinations for disabled applicants that meet federally required time frames.	95	95	95	95

- ◆ Goal 4 - To monitor the DHS licensure Intergovernmental Agreement.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of DHS proposed changes to rules, statute, survey process, etc. that are responded to by AHCCCS on time.	100	100	100	100

HCA.1.3                      **SUBPROGRAM SUMMARY**  
**OFFICE OF MANAGED CARE**

Contact: Kari Price, Assistant Deputy Director  
 Phone: (602) 417-4104  
 A.R.S. Title 36; Title XIX, SSA

**Subprogram Mission:**

*To enhance the capability of the AHCCCS program to ensure the provision of quality health care services to its members and obtaining full economic value for monetary resources expended. This division has now been established as the Division of Health Care Management (DHCM).*

**Subprogram Description:**

This division 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 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. This division, with the assistance of actuaries, is responsible for developing and negotiating contracts with the 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 the 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 & data management as well as clinical quality management.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,181.3	1,894.3	2,215.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	1,189.2	2,194.1	2,533.9
<b>Subprogram Total</b>	<b>2,370.5</b>	<b>4,088.4</b>	<b>4,749.8</b>
FTE Positions	82.0	82.0	88.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure Acute Care health plans and Arizona Long

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	20,512.6	23,321.8	46,163.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	441,081.4	446,572.2	524,578.5
Federal Funds	628,676.1	790,746.2	902,636.4
<b>Subprogram Total</b>	<b>1,090,270.1</b>	<b>1,260,640.2</b>	<b>1,473,378.1</b>
FTE Positions	990.5	990.5	1,984.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To monitor DES compliance with the eligibility Intergovernmental Agreement.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of eligibility accuracy as measured by quality control sample.	2.5	3	3	3

- ◆ Goal 2 - To monitor DES compliance with the PASARR Intergovernmental Agreement with AHCCCS.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of federal (CMS) reviews that identify problems requiring corrective action plans.	3	3	3	3

Term Care System (ALTCS) program contractors (collectively referred to as health plans) comply with AHCCCS contract provisions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of acute and ALTCS health plan on-site operational and financial reviews completed on time.	100	100	100	100
● Percent of financial viability issues detected prior to an impact on contract.	100	100	100	100
◆ Goal 2 - To ensure the availability and accessibility of AHCCCS health plan providers throughout the state.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Rural counties with at least two competitive risk health plans available.	13	13	13	13
● Member satisfaction: percent of choice exercised in moving from current health plan.	3.5	3.5	3.5	3.5
◆ Goal 3 - To improve the completeness and quality of encounter data collected from health plans, program contractors, and behavioral health.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● The number of encounters per member month.	2.7	3.2	3.4	3.4
● Omission error percent.	11	14	11	11
● Correctness error percent.	12.5	16	14	14

HCA.1.4 SUBPROGRAM SUMMARY  
**OFFICE OF MEDICAL MANAGEMENT**  
 Contact: C.J. Hindman, M.D., Deputy Director  
 Phone: (602) 417-4240  
 A.R.S. Title 36; Title XIX, SSA

**Subprogram Mission:**

*To place a greater emphasis on the health care of our fee-for-service members, the Division of Fee For Service Management (DFSM) was established June 2003.*

**Subprogram Description:**

DFSM consists of provider registration, prior authorization and claims administration. The prior authorization unit assures that proposed services are medically necessary and provided in the most appropriate setting, and within the scope of AHCCCS coverage for fee-for-service members. The provider registration unit assures that providers are accounted for and questions are answered in a timely manner as well as coordinated with the claims processing/payment function. The accuracy of payment for services is carefully monitored.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,770.1	989.8	1,181.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	3,573.1	2,573.0	2,972.4
Subprogram Total	5,343.2	3,562.8	4,153.9
FTE Positions	79.0	79.0	84.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To improve the health status of AHCCCS-enrolled women and senior citizens.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of women receiving cervical screening within a three year period.	54.7	51.2	52	53

HCA.1.5 SUBPROGRAM SUMMARY  
**ADVISORY COUNCIL ON INDIAN HEALTH CARE  
 (PASS-THROUGH)**  
 Contact: Maryetta Patch, IHC Exec Dir.  
 Phone: (602) 995-1400  
 A.R.S. § 36-2902; Title XIX, SSA

**Subprogram Mission:**

To develop a comprehensive health care delivery and financing system for Arizona's American Indians, specific to each Arizona Indian tribe, with a focus on creating Indian health care demonstration projects.

**Subprogram Description:**

Established in fiscal year 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 the 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.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	95.1	99.9	99.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	90.3	100.2	100.2
<b>Subprogram Total</b>	<b>185.4</b>	<b>200.1</b>	<b>200.1</b>
FTE Positions	3.6	3.6	3.6

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of tribes participating in health care operational support and services.	100	100	100	100

HCA.1.6 SUBPROGRAM SUMMARY  
**DIVISION OF MEMBER SERVICES**

Contact: Diane Ross, Assistant Director  
 Phone: (602) 417-4322  
 A.R.S. Title 36; Title XIX, SSA

**Subprogram Mission:**

To assist AHCCCS-eligible members access health care.

**Subprogram Description:**

This division 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; as well as the state's Childrens Health Insurance Title XXI Program called KidsCare and for three Medicare Cost Sharing programs. In addition, the division is responsible for enrolling eligible acute care and ALTCS members; and for providing member eligibility and enrollment information. The eligibility of SSI related now has expanded due to the approval of the State Plan amendment and the provisions of Senator Andrew Nichols Comprehensive Health Insurance Coverage Act, seeking to further simplify and streamline the expansion of Medicaid. The division 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. This division also conducts quality control target and management evaluations reviews for these specific programs.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	12,732.9	12,505.4	14,926.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	15,468.6	15,879.1	18,300.1
<b>Subprogram Total</b>	<b>28,201.5</b>	<b>28,384.5</b>	<b>33,226.7</b>
FTE Positions	627.4	627.4	733.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To administer eligibility processes for ALTCS, KidsCare, SSI-MAO, and four Medicare Cost Sharing Programs in a timely manner.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of applications processed on time.	94	94	93	93
● Percent of financial redeterminations processed on time.	95	95	95	95

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

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of eligibility accuracy as measured by quality control sample.	97	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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Member File Integrity System percent of timely reconciliation of AHCCCS data with other governmental data bases.	100	100	100	100

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

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Percent of person-to-person abandonment rate in providing access to eligibility, enrollment and program information 7 days a week/24 hours a day.	11.6	11	11	11
• Percent of quality control samples meeting verification accuracy.	98	98	98	98

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

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• ALTCS eligibility case error percent.	3	4.15	3	3
• Cost avoidance from Predetermination Quality Control Program (in millions).	6.7	15.1	10	10

ALTCS services to AHCCCS members.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• ALTCS monthly enrollment.	34,665	37,460	40,000	43,500
• Percent of members utilizing home and community based services (HCBS).	54.4	54	54	54

HCA.3 PROGRAM SUMMARY  
**ACUTE CARE**

Contact: Tom Betlach, Deputy Director  
Phone: (602) 417-4711  
A.R.S. Title 36; Title XIX, SSA

**Program Mission:**

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

**Program 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 received by members prior to enrollment in a health plan. AHCCCS also maintains some populations in a fee-for-service environment. The largest, within fee-for-service, is the Native American population served by or through the Indian Health Service. Effective April 1, 2001, AHCCCS had the opportunity to streamline and simplify the expansion of Medicaid due to Senator A. Nichols Comprehensive Health Insurance Coverage Act (Proposition 204), which expanded eligibility for persons with income at or below 100% of the Federal Poverty Level. In December 2001, AHCCCS received the Health Insurance Flexibility and Accountability (HIFA) waiver from the U.S. Department of Health and Human Services, which provides for parent coverage for parents of AHCCCS enrolled children and the opportunity to evaluate, redesign and implement improved eligibility and enrollment processes. 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 were allocated to capitation programs proportionately; tobacco tax 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 (ssi)
- ▶ Sobra Women
- ▶ Sobra Children
- ▶ Federal Emergency Services
- ▶ State Emergency Services
- ▶ Medicare Premiums
- ▶ Disproportionate Share Payments
- ▶ Family Planning Services
- ▶ Adoption Subsidy/foster Care
- ▶ Graduate Medical Education

HCA.2 PROGRAM SUMMARY  
**LONG-TERM CARE (ALTC)**

Contact: Diane Ross, Assistant Director  
Phone: (602) 417-4322  
A.R.S. Title 36; Title XIX, SSA

**Program Mission:**

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

**Program 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. Behavioral health services were added for Early Periodic Screening, Diagnostic and Treatment (EPSDT) ALTCS children under age 21 on October 1, 1992. The remaining populations were phased-in until October 1, 1995, when all Title XIX members became eligible for behavioral health services.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	52,542.2	52,847.8	77,965.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	189,257.6	186,897.6	221,301.4
Federal Funds	474,239.4	585,659.0	626,818.4
<b>Program Total</b>	<b>716,039.2</b>	<b>825,404.4</b>	<b>926,085.4</b>
FTE Positions	0.0	0.0	0.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To ensure the management and delivery of quality

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	406,547.7	421,447.4	538,174.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	135,309.0	133,594.0	126,399.2
Federal Funds	1,229,399.5	1,430,798.7	1,522,672.3
<b>Program Total</b>	<b>1,771,256.2</b>	<b>1,985,840.1</b>	<b>2,187,245.9</b>
FTE Positions	0.0	0.0	0.0

**HCA.3.1 SUBPROGRAM SUMMARY**  
**1931(B) ELIGIBILITY FAMILY ASSISTANCE**

Contact: Diane Ross, Assistant Director  
Phone: (602) 417-4322  
A.R.S. § 36-2901.4(b)

**Subprogram Mission:**

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

**Subprogram Description:**

When the Personal Responsibility and Work Opportunity Reconciliation Act was enacted, it de-linked 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 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 up to twelve months of transitional medical assistance. If they become ineligible due to receipt of child or spousal support income, they qualify for four consecutive months of continued medical coverage. (Breast and Cervical Cancer Treatment funding is included in this program)

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	126,651.1	137,517.1	196,062.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	57,575.9	56,496.0	52,994.9
Federal Funds	432,218.8	512,790.9	579,675.5
<b>Subprogram Total</b>	<b>616,445.8</b>	<b>706,804.0</b>	<b>828,733.2</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● 1931 (b) Eligibility Family Assistance monthly enrollment.	376,402	432,941	447,400	476,000

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of well child visits in the first 15 months of life-EPSDT.	58.2	61.2	62	62

**HCA.3.2 SUBPROGRAM SUMMARY**  
**SUPPLEMENTAL SECURITY INCOME (SSI)**

Contact: Diane Ross, Assistant Director  
Phone: (602) 417-4322  
A.R.S. § 36-2901

**Subprogram Mission:**

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

**Subprogram 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 are 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 \$552 income limit for SSI cash, under a state plan amendment that became effective April 1, 2001, SSI-MAO members may have income at or below 100% FPL (\$749 as of April 1, 2003). (Ticket to Work Funding is included in the SSI program.)

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	89,534.9	98,731.4	135,824.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	39,976.6	40,013.4	36,876.4
Federal Funds	305,553.3	368,162.1	399,921.4
<b>Subprogram Total</b>	<b>435,064.8</b>	<b>506,906.9</b>	<b>572,622.3</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Supplemental Security Income monthly enrollment.	82,450	87,275	93,000	96,000

**HCA.3.3 SUBPROGRAM SUMMARY**  
**SOBRA WOMEN**

Contact: Diane Ross, Assistant Director  
Phone: (602) 417-4322  
A.R.S. § 36-2901



**Subprogram Mission:**

*To provide comprehensive quality health care to eligible pregnant women.*

**Subprogram 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. Based on changes included in the Omnibus Budget Reconciliation Act of 1989, the federal government currently requires states to provide care to pregnant women and their infants (under 1 year old) whose family income does not exceed 140 percent of the Federal Poverty Level (\$25,344 for a family of four in FY 2002). Effective February 1, 2003 in Arizona, the income limit for pregnant women under the SOBRA program was reduced to 133% of FPL. The income limit for infants (under the age of 1 year) remains at 140% of the FPL. AHCCCS commonly refers to these individuals as "SOBRA Women and Infants", after the Sixth Omnibus Budget Reconciliation Act took effect in 1987. DES determines eligibility for this program. The federal government also allows states the option to increase the income limit to 185 percent of the Federal Poverty Level.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,798.4	8,590.5	10,131.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	3,481.9	3,481.5	2,750.8
Federal Funds	26,613.3	32,033.2	35,632.3
<b>Subprogram Total</b>	<b>37,893.6</b>	<b>44,105.2</b>	<b>48,514.9</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• SOBRA women monthly enrollment.	8,817	8,789	11,400	12,500
• Percent of women receiving cervical screening within a three year period.	54.7	51.2	52	53

HCA.3.4 SUBPROGRAM SUMMARY  
**SOBRA CHILDREN**

Contact: Diane Ross, Assistant Director  
Phone: (602) 417-4322  
A.R.S. § 36-2901

**Subprogram Mission:**

*To provide comprehensive quality health care to eligible children.*

**Subprogram Description:**

Under the provisions of the federal Sixth Omnibus Budget Reconciliation Act (SOBRA), the state provides care to children born after September 30, 1983 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% FPL, and children age 6 or over born after September 30, 1983 at 100% FPL. Effective July 1, 2001, the state elected to cover children up through age 18. DES determines eligibility for this program. The federal government also allows states the option to increase the income limit to 185% of the FPL.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	76,764.2	82,914.3	124,409.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	34,274.6	33,603.1	33,777.1
Federal Funds	261,971.0	309,181.1	350,631.3
<b>Subprogram Total</b>	<b>373,009.8</b>	<b>425,698.5</b>	<b>508,817.4</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• SOBRA children monthly enrollment.	72,564	73,119	74,000	75,000
• Percent of well child visits in the first 15 months of life-EPSDT.	58.2	61.2	62	62

HCA.3.5 SUBPROGRAM SUMMARY  
**FEDERAL EMERGENCY SERVICES**

Contact: Diane Ross, Assistant Director  
Phone: (602) 417-4322  
A.R.S. § 36-2901

**Subprogram Mission:**

*To provide comprehensive quality health care to individuals eligible for the Federal Emergency Services Program.*

**Subprogram 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 three general categories: persons not qualifying for full Medicaid services because they are qualified aliens who entered the country on or after August 22, 1996, but not yet entitled to full services; and illegal immigrants. This program only covers 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.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	28,388.1	30,960.9	38,028.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	58,936.9	72,934.8	78,645.1
Subprogram Total	87,325.0	103,895.7	116,673.2
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Federal Emergency Services monthly enrollment.	9,313	40,487	44,000	48,000

HCA.3.6 SUBPROGRAM SUMMARY  
**STATE EMERGENCY SERVICES**

Contact: Diane Ross, Assistant Director  
Phone: (602) 417-4322  
A.R.S. § 36-2901

**Subprogram Mission:**

*To provide comprehensive quality health care to individuals eligible for the State Emergency Services Program.*

**Subprogram Description:**

This program was terminated at the beginning of FY04.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	5,722.2	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	5,722.2	0.0	0.0
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● State Emergency Services monthly enrollment.	376	4,857	TBD	TBD

HCA.3.7 SUBPROGRAM SUMMARY  
**MEDICARE PREMIUMS**

Contact: Diane Ross, Assistant Director  
Phone: (602) 417-4322  
A.R.S. § 36-2911

**Subprogram Mission:**

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

**Subprogram Description:**

AHCCCS pays Medicare Part A premiums (hospital insurance) 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. Qualified Medicare Beneficiary Program (QMB), an eligible person has income at or below the Federal Poverty Level (FPL). Programs include QMB Onlys and QMB Duals. QMB Onlys are 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. QMB Onlys 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. Specified Medicare Beneficiary (SLMB) Program, an eligible person has income above the FPL but at or below 120% of the Federal Poverty Level (FPL). The SLMB benefit is payment of the Part B premium. 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 of these Medicare Cost Sharing Programs.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	11,172.8	11,586.9	16,846.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	26,616.2	27,296.5	42,446.8
<b>Subprogram Total</b>	<b>37,789.0</b>	<b>38,883.4</b>	<b>59,293.2</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Members enrolled monthly in the Medicare Premiums programs.	10,267	16,500	22,400	27,500

HCA.3.8 SUBPROGRAM SUMMARY

**DISPROPORTIONATE SHARE PAYMENTS**

Contact: Kari Price, Assistant Deputy Director

Phone: (602) 417-4104

A.R.S. § 36-2903.01(R)

**Subprogram Mission:**

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

**Subprogram Description:**

Disproportionate share payments (DSH) 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 Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	53,911.6	44,823.9	9,878.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	103,136.8	92,042.9	20,471.1
<b>Subprogram Total</b>	<b>157,048.4</b>	<b>136,866.8</b>	<b>30,350.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure disproportionate share (DSH) payments are correctly made to proper hospitals by consultation with the Governor's Office and the Legislature.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of dollars recouped after distribution.	0	0	0	0

HCA.3.9 SUBPROGRAM SUMMARY

**FAMILY PLANNING SERVICES**

Contact: Diane Ross, Assistant Director

Phone: (602) 417-4322

A.R.S. § 36-2901

**Subprogram Mission:**

To provide 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.

**Subprogram Description:**

SOBRA Family Planning Services Extension Program is a capitated program which provides 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 not eligible for full health care coverage.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	114.0	220.3	109.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	1,025.6	1,982.4	984.8
<b>Subprogram Total</b>	<b>1,139.6</b>	<b>2,202.7</b>	<b>1,094.2</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure the management and delivery of quality acute care family planning services are provided.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Family Planning Services monthly enrollment.	9,650	7,056	7,000	7,000

HCA.3.10 SUBPROGRAM SUMMARY  
**ADOPTION SUBSIDY/FOSTER CARE**

Contact: Diane Ross, Assistant Director  
Phone: (602) 417-4322  
A.R.S. § 36-2901.4(b)

**Subprogram 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.*

**Subprogram 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, whether or not adoption assistance is being provided or judicial decree of adoption has been issued or for whom foster care maintenance payments are made under Title IV-E of the Act. AHCCCS also covers children who have been adopted under a state adoption agreement with the state's Division of Children Youth and Familie, DES. (Adoption Subsidy expenditures are appropriately grouped into other programs.)

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	0.0	0.0	0.0
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Adoption Subsidy/Foster Care monthly enrollment.	7,176	7,786	8,300	9,000

HCA.3.11 SUBPROGRAM SUMMARY  
**GRADUATE MEDICAL EDUCATION**

Contact: Kari Price, Assistant Deputy Director  
Phone: (602) 417-4104  
A.R.S. § 36-2903.01

**Subprogram Mission:**

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

**Subprogram Description:**

In FY 1998 AHCCCS established a separate Graduate Medical Education program to reimburse direct costs to hospitals with graduate medical education programs. The Graduate Medical Education allocation, when appropriated, is adjusted annually by the increase or decrease in the Data Resources Incorporated hospital market index for prospective hospital reimbursement.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,490.4	6,102.1	6,883.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	13,327.6	14,374.8	14,264.0
Subprogram Total	19,818.0	20,476.9	21,147.5
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure Graduate Medical Education (GME) direct cost reimbursements are made timely.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of timely payments made to hospitals with GME programs.	100	100	100	100

HCA.4 PROGRAM SUMMARY  
**PROPOSITION 204 - SENATOR ANDREW NICHOLS  
COMPREHENSIVE HEALTH INSURANCE COVERAGE  
ACT**

Contact: Diane Ross, Assistant Director  
Phone: (602) 417-4322  
A.R.S. Title 36, Title XIX, SSA

**Program Mission:**

*To streamline and simplify the Medicaid process.*

**Program Description:**

Laws 2001, Chapter 344, gives AHCCCS the opportunity to streamline and simplify the expansion of Medicaid due to this act. This act expanded eligibility for persons with income at or below 100% of the Federal Poverty Level (FPL). On January 18, 2001 the federal government approved, through September 30, 2006 Arizona's request to expand eligibility to provide Medicaid coverage to individuals with income at or below 100% FPL and individuals who have incurred medical bills sufficient to reduce their income to 40% FPL or less. The major provisions of the bill are: 100% of FPL A) annual redeterminations, B) streamlined eligibility determination, C) eligibility from the first day of the month of application (if otherwise eligible or eligible the 1st day of the first eligible month); 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, C) resources limited to \$100,000 in net worth; and AHCCCS and DES have an intergovernmental agreement to perform eligibility that includes A) performance measures/incentives, B) management

evaluation, C) eligibility quality control reviews. This Act repealed MN/MI/EAC/ELIC programs and all county responsibility for indigent health care, except the counties continue financial responsibility for the Seriously Mentally Ill. (The Senator Andrew Nichols Act includes programmatic and administrative costs in FY 2003 and FY2004. In FY2005, the administrative costs were moved into Administration in accordance with a Decision Package in the FY2005 Budget Submittal.)

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	86,251.5	126,354.0	247,738.9
Other Appropriated Funds	0.0	26,222.8	21,222.8
Other Non-Appropriated Fund	146,178.4	120,980.5	120,905.9
Federal Funds	523,058.3	691,684.5	861,268.1
<b>Program Total</b>	<b>755,488.2</b>	<b>965,241.8</b>	<b>1,251,135.7</b>
FTE Positions	861.3	861.3	0.0

**Program Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Senator Andrew Nichols Comprehensive Health Insurance Coverage Act monthly enrollment. 78,599 115,842 198,500 233,600

HCA.5 PROGRAM SUMMARY  
**HEALTHCARE GROUP**

Contact: Michal Goforth, Community Resources Director  
Phone: (602) 417-4358  
A.R.S. § 36-2912

**Program Mission:**

*To administer an alternative health care system which provides affordable, accessible, quality health care to small businesses and political subdivisions within the state.*

**Program Description:**

Healthcare Group of Arizona (HCG) is a prepaid medical coverage product marketed to small uninsured businesses with 1-50 employees and employees of political subdivisions, such as 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. Several national and state studies note that the majority (85%) 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. Healthcare Group is designed to be a safety net for the employed uninsured. New program benefits and premiums were implemented February 1, 2003 for all employer groups under provisions contained in 2002 legislation. HCG has assumed greater administrative responsibility effective with those changes. Premiums may be increased with no less than 60 days notice to members. (HCG funding does not include non-appropriated program costs.)

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

General Funds	0.0	4,000.0	4,000.0
Other Appropriated Funds	1,196.7	1,772.7	1,772.7
Other Non-Appropriated Fund	27,170.0	29,396.3	31,493.9
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>28,366.7</b>	<b>35,169.0</b>	<b>37,266.6</b>
FTE Positions	21.0	21.0	21.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To develop strategies to increase enrollment in the Healthcare Group program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Healthcare Group monthly enrollment. 12,337 11,246 12,300 14,500

HCA.6 PROGRAM SUMMARY  
**CHILDREN'S HEALTH INSURANCE (CHIP)**

Contact: Diane Ross, Assistant Director  
Phone: (602) 417-4322  
A.R.S. § 36-2982

**Program Mission:**

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

**Program Description:**

This Title XXI program (KidsCare) was implemented November 1, 1998, for uninsured eligible children up to the age of 19 with gross household income up to 200% of FPL. Eligibility was streamlined and the KidsCare benefit package is the same as the Title XIX services package and is delivered by AHCCCS health plans. In December 2001, AHCCCS received the Health Insurance Flexibility and Accountability (HIFA) waiver from the U.S. Department of Health and Human Services, which provides for parent coverage for parents of AHCCCS enrolled children and the opportunity to evaluate, redesign and implement improved eligibility and enrollment processes. AHCCCS implemented the AHCCCS Health Insurance for parents of SOBRA children and KidsCare children effective January 1, 2003 under the HIFA waiver. CHIP and HIFA includes both programmatic and administrative costs.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	25,825.3	19,382.7
Other Appropriated Funds	79,484.6	86,873.9	65,577.7
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>79,484.6</b>	<b>112,699.2</b>	<b>84,960.4</b>
FTE Positions	155.0	155.0	142.0

**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• KidsCare monthly enrollment.	49,027	51,027	52,700	52,700
• Percent of children with access to primary care provider.	72.6	73.8	77	77
• HIFA monthly enrollment.	N/A	10,201	11,200	N/A

HCA.7                      **PROGRAM SUMMARY  
PREMIUM SHARING**

Contact: ,  
Phone:  
A.R.S. § 36-2912

**Program Mission:**

*To provide comprehensive quality health care to individuals eligible for Premium Sharing.*

**Program Description:**

This program is scheduled to sunset September 2003.

**Funding and FTE Amounts:**

Performance Measures	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	15,405.1	6,225.8	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>15,405.1</b>	<b>6,225.8</b>	<b>0.0</b>
FTE Positions	0.0	0.0	0.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To reduce the number of uninsured by offering quality health care coverage to as many eligible members as possible with a gross annual household income of less than 250% FPL (400% FPL for chronically ill) statewide.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Premium Sharing monthly enrollment.	5,845	2,424	TBD	TBD

HCA.8                      **PROGRAM SUMMARY  
MEDICAID IN THE PUBLIC SCHOOLS (MIPS)**

Contact: Debi Wells, Administrator  
Phone: (602) 417-4208

**Program Mission:**

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

**Program Description:**

MIPS covered services are provided in order to allow the children to obtain a public school education. MIPS Program services and administration are reimbursed through federal Medicaid funds and Local Education Authorities (LEA) matching funds. LEAs are participating school districts, charter schools not affiliated with a

school district, and the AZ School for the Deaf and Blind. AHCCCS initiated the MIPS Program on January 1, 2001, with the ability for participating LEAs to bill retroactively for services provided on or after July 1, 2000. AHCCCS contracts with AZ Physicians IPA (APIPA) as the third party administrator for claims processing as well as training and compliance monitoring of the LEAs. APIPA has developed a provider manual and website to assist LEAs in becoming knowledgeable about the MIPS Program and its requirements. As of March 2003, there were 207 LEAs. Each LEA has a network of providers to offer services under MIPS. There are more than 4,300 registered providers. Providers are therapists (occupational, physical and speech), nurses, health aide attendants, psychologists and counselors as well as transportation organizations.

**Funding and FTE Amounts:**

Performance Measures	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	60,712.1	82,134.8	91,471.4
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>60,712.1</b>	<b>82,134.8</b>	<b>91,471.4</b>
FTE Positions	0.0	0.0	0.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - Default Goal

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of participating Local Education Authorities (LEAs).	206	207	210	212



**AGENCY SUMMARY**  
**COMMISSION FOR THE DEAF AND HARD OF HEARING**

Sherril L. Collins, Executive Director DFA  
 Contact: Lynn Wakefield, Business Manager (602) 542-3363  
 A.R.S. § 36-1941 through 36-1978

**Agency Mission:**

To ensure, in partnership with the public and private sectors, accessibility for the deaf and the hard of hearing to improve their quality of life.

**Agency Description:**

Governed by a 14-member board, this agency has 14 staff members who conduct consumer workshops, public speaking presentations, and attend public information fairs to distribute information on hearing loss and its prevention. Staff members host and produce a weekly half-hour, nationwide television program for the deaf and hard of hearing. The Commission consults with state, county, city, and federal agencies identifying appropriate approaches to ensure quality programs and services for deaf and hard of hearing consumers. Through a special appropriated fund, the agency administers a telecommunications relay service for deaf, hard of hearing, speech impaired, and deaf-blind persons. It also distributes telecommunication devices for residents of Arizona.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ COUNCIL ACTIVITIES	890.7	993.0	977.8
➤ TDD - TELECOMMUNICATION DEVICE FOR THE DEAF	3,806.5	4,197.3	4,152.3
<b>Agency Total</b>	<b>4,697.2</b>	<b>5,190.3</b>	<b>5,130.1</b>

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	4,697.2	5,190.3	5,130.1
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>4,697.2</b>	<b>5,190.3</b>	<b>5,130.1</b>
FTE Positions	11.0	14.0	14.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Lack of an effective quality assurance system to manage and monitor the telecommunications relay service (TRS), implementation of governmental mandates, products and services, and handling consumer complaints.*

Due to the size of the TRS operation and its statewide coverage, effective monitoring and management of products, services, consumer complaints and governmental mandates is hindered by the Commission's staffing limitations. Additionally, there is no set practice in place for quality assurance purposes.

**Strategic Issue Number: 2**

*The Legislature has mandated the Commission to ensure that a sufficient supply of qualified and certified interpreters are available, particularly those with legal interpreting qualities; however, the demand is far greater than the supply.*

The state of Arizona faces a constant shortage of qualified interpreters, thus forcing consumers in the private and public sectors to rely on unqualified interpreters, to a probable detrimental effect. Miscommunication in a medical environment may result in injury or death; miscommunication in the courts or with police may ultimately abridge the rights of a citizen; and miscommunication in the private sector may result in strained employer/employee relations.

**Strategic Issue Number: 3**

*Lack of awareness in the public and private sectors about the Commission's available resources and services results in underservice to the eligible population as well as the general population.*

While the Commission serves an ever growing number of consumers, the number of those not provided with Commission resources and services is far greater. The general population as well as those with hearing loss can only utilize the Commission's resources and services if they are made aware of them.

**Strategic Issue Number: 4**

*Satisfaction of legislative mandates on American Sign Language (ASL) teacher certification standards.*

The Commission is tasked with the responsibility to develop ASL teacher certification standards. The need for ASL teacher certification standards results from the fact that the Arizona educational system does not have effective and efficient instruments to determine an individual's suitability as an ASL instructor.

DFA.1 PROGRAM SUMMARY  
**COUNCIL ACTIVITIES**

Contact: Lynn Wakefield, Business Manager  
 Phone: (602) 542-3363  
 A.R.S. § 36-1941 through 36-1978

**Program Mission:**

*To assist agency administrators and political subdivision directors to improve the quality of services available for deaf and hard of hearing people; and to educate the deaf and hard of hearing community on how best to access services.*

**Program Description:**

The agency director and staff make numerous presentations to public organizations, agencies and private businesses on the needs of the deaf and hard of hearing community. These individuals coordinate consumer workshops, seminars, and interpreters for the deaf and hard of hearing training programs. Support staff respond to hundreds of inquiries regarding technology, laws, and availability of services.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	890.7	993.0	977.8
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>890.7</b>	<b>993.0</b>	<b>977.8</b>
FTE Positions	6.0	8.0	8.0

**Program Goals and Performance Measures:**

- ◆ Goal 4 - To improve interpreter support services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of qualified interpreters.	30	32	37	40

◆ Goal 6 - To provide quality services to the community while maintaining lean administrative costs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administrative costs as a percent of total costs.	1.5	1.5	2.4	2.4

◆ Goal 2 - To implement voucher system of the Telecommunications Equipment Distribution Program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of customer satisfaction with voucher program.	N/A	90	75	85



DFA.2                      PROGRAM SUMMARY

**TDD - TELECOMMUNICATION DEVICE FOR THE DEAF**

Contact: Lynn Wakefield, Business Manager  
 Phone: (602) 542-3363  
 A.R.S. § 36-1941 through 36-1978

**Program Mission:**

*To provide telecommunications access for the deaf, deaf-blind, speech impaired, and hard of hearing TDD/TTY users in Arizona.*

**Program Description:**

The Agency provides various assistant devices on a loaner basis to state residents who are deaf, speech impaired, hard of hearing, and deaf-blind. In addition the Agency, through a contract with an interstate telephone company (currently MCI), provides telephone relay services 24 hours a day. This relay service provides a link between TTY users and all other telephone users.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3,806.5	4,197.3	4,152.3
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>3,806.5</b>	<b>4,197.3</b>	<b>4,152.3</b>
<b>FTE Positions</b>	<b>5.0</b>	<b>6.0</b>	<b>6.0</b>

**Program Goals and Performance Measures:**

◆ Goal 1 - To monitor telecommunications relay services to insure compliance with current contract.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of customer satisfaction with the telecommunications relay service.	99.9	99.98	85	85
● Cost per minute of the telecommunications relay service.	1.30	1.24	1.24	1.24
● Average call minutes per month for the telecommunications relay service.	245,120	237,294	242,553	232,851
● Percent of customer satisfaction based on contractor reports.	99.9	100	100	100



**AGENCY SUMMARY**  
**DISEASE CONTROL RESEARCH COMMISSION**

Dawn C. Schroeder, DDS, MA, Executive Director DIA  
 Contact:  
 A.R.S. § 36-271-276

**Agency Mission:**

To advance medical research by contracting with individuals, organizations, corporations and institutions to carry out peer-reviewed scientific projects within the state of Arizona.

**Agency Description:**

The program awards contracts for projects researching the causes, epidemiology and diagnosis, formulation of cures, medically accepted treatment and prevention of diseases, including drug discovery and development; and oversees the projects to assure contract compliance.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	13,864.1	13,864.1
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>0.0</b>	<b>13,864.1</b>	<b>13,864.1</b>
FTE Positions	0.0	0.0	0.0

**Strategic Issues**

**Strategic Issue Number: 1**

*To provide support and strategically placed funding to move the state's bioscience and biotechnology initiative forward.*

ADCRC is uniquely placed in the medical research community to provide gap funding to move Arizona's medical researchers to higher levels by encouraging inter-institutional collaborations and providing matching funds for equipment replacement. Providing Arizona researchers with state funding improves their competitiveness at the federal level.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To inform medical researchers and others involved in health care in Arizona of research funding available through the Disease Control Research Commission (DCRC).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Numbers of Requests for Proposal (RFP) mailed.	911	924	800	800

- ◆ Goal 2 - To provide assistance to new and established researchers by offering a biannual workshop addressing timely information on research issues.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of biannual workshop participants.	211	N/A	175	N/A

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Number of collaborative projects submitted as a function of the total number of proposals received.\*

*\*Established collaborations have a higher likelihood of receiving federal research funding.*

- ◆ Goal 3 - To monitor the contribution of investigators to medical research by reviewing the scientific literature.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Number of scientific articles published.
- Number of abstracts published.



<b>AGENCY SUMMARY</b>	
<b>DEPARTMENT OF ECONOMIC SECURITY</b>	
David A. Berns, Director	DEA
Contact: Alcira Angulo, Strategic Planning	(602) 542-0213
A.R.S. § 41-1954	

**Agency Mission:**

To promote the safety, well-being and self-sufficiency of children, adults, and families.

**Agency Description:**

DES combines a broad range of Arizona's human service programs within a single agency. Each month, DES' services are sought by more than one million Arizona children, adults, and families. These services range from employment assistance and job training to child and adult protection, child support enforcement, cash assistance, and services for the developmentally disabled. DES works closely with several other state agencies in its delivery of services to the citizens of Arizona. Among the entities DES works with are AHCCCS, DHS, and the juvenile justice system.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ CENTRAL ADMINISTRATION	115,646.0	109,095.4	123,334.3
➤ ADMINISTRATION-AGING AND ADULT SERVICES	7,449.3	7,037.6	7,801.0
➤ AAA HOME AND COMMUNITY BASED SERVICES	32,464.7	36,150.3	36,150.3
➤ ELDER RIGHTS	1,073.8	1,391.0	1,391.0
➤ OLDER WORKERS	1,476.7	1,525.5	1,525.5
➤ ADMINISTRATION-COMMUNITY SERVICES	2,303.7	2,139.5	2,139.5
➤ COMMUNITY ACTION PROGRAM	18,562.7	20,678.9	20,678.9
➤ COORDINATED HUNGER PROGRAMS	2,319.0	2,962.7	2,962.7
➤ COORDINATED HOMELESS PROGRAMS	3,782.6	3,870.0	3,870.0
➤ DOMESTIC VIOLENCE PROGRAM	8,809.9	9,887.5	9,887.5
➤ REFUGEE RESETTLEMENT PROGRAM	6,306.3	7,863.3	7,863.3
➤ DISABILITY DETERMINATION SERVICES ADMINISTRATION	18,645.3	24,480.6	24,480.6
➤ FAMILY ASSISTANCE	738,383.0	876,402.1	950,320.0
➤ ADMINISTRATION FOR CHILDREN, YOUTH AND FAMILIES	76,081.7	92,046.1	121,684.6
➤ CHILD ABUSE PREVENTION	11,157.6	11,938.4	11,938.4
➤ CHILD PROTECTION SERVICES	113,094.6	122,249.5	152,925.7
➤ ADOPTION SERVICES	43,730.4	48,002.0	51,882.8
➤ COMPREHENSIVE CHILD CARE	159,092.7	157,470.3	155,370.3
➤ COMPREHENSIVE MEDICAL AND DENTAL PROGRAM	13,513.6	18,023.7	18,023.7
➤ CHILD SUPPORT	43,799.6	52,424.2	52,424.2
➤ ADMINISTRATION-DEVELOPMENTAL DISABILITIES	20,833.3	28,107.5	28,732.6
➤ DDD CASE MANAGEMENT SERVICES	24,737.7	30,177.9	33,882.2
➤ DDD HOME AND COMMUNITY BASED SERVICES	346,147.2	408,416.4	457,602.6
➤ INSTITUTIONAL SERVICES	12,852.3	12,412.8	15,683.8
➤ ARIZONA TRAINING PROGRAM AT COOLIDGE	15,222.5	16,534.6	16,534.6
➤ MEDICAL SERVICES	56,942.6	66,453.4	83,135.7

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➤ REHABILITATION SERVICES	73,611.2	74,957.1	82,932.9
➤ EMPLOYMENT SECURITY	568,619.7	569,027.6	569,027.6
➤ WORKFORCE DEVELOPMENT ADMINISTRATION	45,230.9	47,004.7	47,004.7
➤ JOB OPPORTUNITIES AND BASIC SKILLS	26,335.2	30,414.8	44,214.8
Agency Total	2,608,225.8	2,889,145.4	3,135,405.8

Program, Employee Services and Support, Business and Finance, Technology Services, Public Assistance Collections, and Policy and Program Development.

**This Program Contains the following Subprograms:**

- ▶ **Office of The Director**
- ▶ **Governor's Advisory Council On Aging**
- ▶ **Governor's Council On Developmental Disabilities**
- ▶ **Arizona Early Intervention Program**
- ▶ **Employee Services and Support**
- ▶ **Business and Finance**
- ▶ **Technology Services**
- ▶ **Public Assistance Collections**
- ▶ **Policy and Program Development**

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	404,590.7	481,125.4	683,179.1
Other Appropriated Funds	34,249.8	47,363.3	47,363.3
Other Non-Appropriated Fund	940,213.7	990,550.0	1,049,044.2
Federal Funds	1,229,171.6	1,370,106.7	1,355,819.2
Agency Operating Funds Total	2,608,225.8	2,889,145.4	3,135,405.8
FTE Positions	10,516.8	10,581.7	10,959.3

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	26,576.0	27,771.5	34,227.8
Other Appropriated Funds	406.6	2,078.2	2,078.2
Other Non-Appropriated Fund	24,498.4	22,535.2	26,649.2
Federal Funds	64,165.0	56,710.5	60,379.1
Program Total	115,646.0	109,095.4	123,334.3
FTE Positions	1,152.1	1,068.5	1,068.5

**Strategic Issues**

**Strategic Issue Number: 1**

*Child Welfare Improvements*

**Strategic Issue Number: 2**

*Protection and Support of Vulnerable Individuals and Families*

**Strategic Issue Number: 3**

*Improve Outcomes through Integration within DES and Collaborative Engagement of Community and Government Partners*

**Strategic Issue Number: 4**

*Caseload Growth*

**Strategic Issue Number: 5**

*Attracting, Developing, and Retaining Qualified Employees*

**Strategic Issue Number: 6**

*Shortfall of Revenue Sources*

**Strategic Issue Number: 7**

*Enhance Information Technology to Support Integrated Service Delivery*

DEA.1.1 SUBPROGRAM SUMMARY  
**OFFICE OF THE DIRECTOR**  
 Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954

**Subprogram Mission:**

*To provide leadership, direction, coordination, and support to enable the Department of Economic Security (DES) to achieve its mission and vision.*

**Subprogram Description:**

The Director's Office of DES consists of the Director; Deputy Director of Programs; Deputy Director of Operations and Special Projects; Office of the Ombudsman; Communications Office; Office of Equal Opportunity; Office of Personnel Management; Legislative Services and Legal Services/Child & Family Protection Division.

DEA.1 PROGRAM SUMMARY  
**CENTRAL ADMINISTRATION**  
 Contact: Alcira Angulo,  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	931.4	910.6	1,088.5
Other Appropriated Funds	38.4	115.2	115.2
Other Non Appropriated Fund	1,120.0	705.1	705.1
Federal Funds	2,276.7	1,727.9	1,759.3
Subprogram Total	4,366.5	3,458.8	3,668.1
FTE Positions	71.0	66.5	66.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To promote equal opportunity in employment and program services by enforcing federal civil rights laws through

administrative processes and procedures.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of equal opportunity cases received.	85	72	84	84

The Office cannot accurately predict the number of cases that will be received because it is the independent judgement of the employees and clients whether they file a complaint.

● Percent of equal opportunity cases completed.	96	95.8	94	94
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FY 2003 was impacted by a staff shortage and cases referred from the federal Equal Employment Opportunity Commission. Due to budget constraints, the Office projects continued operation with a staff shortage.

- ◆ Goal 2 - To improve customer satisfaction with the services and products we provide.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Ombudsman Program customer satisfaction rating based on annual customer survey (Scale 1-5).	N/A	N/A	Baseline	N/A

Due to transitions in SFY 2003 the Ombudsman Program did not distribute a customer satisfaction survey.

● Office of Personnel Management customer satisfaction rating based on annual customer survey (Scale 1-5).	3.57	3.69	3.70	3.75
● Legislative Services internal customer satisfaction rating based on annual customer survey (Scale 1-5).	N/A	N/A	Baseline	N/A
● Legislative Services external customer satisfaction rating based on annual customer survey (Scale 1-5).	N/A	N/A	Baseline	N/A

- ◆ Goal 3 - To improve the efficiency and quality of service delivery to customers.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of referrals to the Ombudsman Program.	N/A	449	500	550
● Number of referrals to the Ombudsman Program that are successfully resolved.	N/A	449	500	550
● Percent of referrals to the Ombudsman Program that are successfully resolved.	N/A	100	100	100
● Percent of agency staff turnover.	13.36	16.50	16.25	16.00
● Number of positions filled.	10,452	9,807	9,807	9,807

Due to budget cuts, DES implemented a Reduction in Force during FY 2003 and reduced the number of vacant positions filled.

**DEA.1.2 SUBPROGRAM SUMMARY  
GOVERNOR'S ADVISORY COUNCIL ON AGING**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 46-183

**Subprogram Mission:**

To advise the Governor, Legislature, and all state departments which the Council deems necessary on all matters and issues relating to the aging population, including the administration of the State Plan on Aging.

**Subprogram 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	216.2	206.5	206.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	10.7	0.0	0.0
<b>Subprogram Total</b>	<b>226.9</b>	<b>206.5</b>	<b>206.5</b>
FTE Positions	4.5	4.5	4.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To continue to recommend policies to address the issues, barriers to services, and needs of older adults.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of policy recommendations including legislative proposals supported by the Governor's Advisory Council on Aging.	4	9	4	5

- ◆ Goal 2 - To improve the efficacy of the aging services system through the development of public/private partnerships.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of conference, education, training, special topic forums, workshops, focus groups, or task force participants.	1,250	1,934	1,500	1,600

Every three years the Council holds public forums across the state to develop the State Plan on Aging.

**DEA.1.3 SUBPROGRAM SUMMARY  
GOVERNOR'S COUNCIL ON DEVELOPMENTAL  
DISABILITIES**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 41-2451 to 41-2454

**Subprogram Mission:**

*To bring together persons with disabilities representing Arizona's cultural diversity, their families, and other community members to protect rights; eliminate barriers; jointly promote equal opportunities and self determination; and increase options through statewide planning, advocacy, monitoring, and community action for public policy change.*

**Subprogram Description:**

The Governor's Council on Developmental Disabilities (GCDD) is a planning and advocacy body. It was established in 1974 and organized to meet the responsibilities and duties prescribed in A.R.S. § 41-2451 to 41-2454, as amended in 1989, and Public Law 98-527, amended by Public Law 104-183 in 1996, and amended by Public Law 106-402 on October 30, 2000.

- ◆ Goal 4 - To ensure that people with developmental disabilities and their families have the necessary transportation for full community inclusion.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Number of local governments made aware of transportation needs.	15	40	50	50

- ◆ Goal 5 - To ensure that people with developmental disabilities and their families statewide have plans for successful aging.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Number of individuals with knowledge of legal options.	200	2,000	5,000	5,000

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	992.7	902.0	902.0
Subprogram Total	992.7	902.0	902.0
FTE Positions	6.0	6.0	6.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To actively support and promote self-determination activities and leadership development of persons with disabilities and their families.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Number of Partners in Policymaking graduates.	35	25	25	25

The program recruited several candidates from remote areas of the State as well as persons with disabilities with increased support needs. The costs associated with these factors reduced the number of participants in the program.

- ◆ Goal 2 - To assist individuals with disabilities to gain employment.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Number of individuals in appropriate competitive employment.	10	30	50	70

- ◆ Goal 3 - To promote a free, appropriate public education for all students with disabilities.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Number of advocates related to Special Education trained.	200	146	160	185

Several workshops this year were conducted in remote areas of the state which lowered the number of attendees while expanding rural access.

• Number of students leading/participating in their own Individualized Education Programs (IEPs).	0	60	200	800
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The primary contract for implementing this objective will begin in October 2003, however, the 6 district advisory councils have trained 60 students.

DEA.1.4 SUBPROGRAM SUMMARY

**ARIZONA EARLY INTERVENTION PROGRAM**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 PL 105-17

**Subprogram Mission:**

To optimize the developmental potential of Arizona children (birth to age three who have developmental delays) and their families through the development and implementation of a comprehensive, coordinated, community based service delivery system that is family-focused and culturally appropriate.

**Subprogram Description:**

As defined in Section 1431 of Public Law 105-17, the Individuals with Disabilities Education (IDEA) Part C, Infant and Toddlers with Disabilities, the Congress finds that there is an urgent and substantial need to (1) enhance the development of infants and toddlers with disabilities and to minimize their potential for developmental delay; (2) to reduce the educational cost to our society, including our nation's schools, by minimizing the need for special education and related services after infants and toddlers with disabilities reach school age; (3) to minimize the likelihood of institutionalization of individuals with disabilities and maximize the potential for their independently living in society; (4) to enhance the capacity of families to meet the special needs of their infants and toddlers with disabilities; and (5) to enhance the capacity of State and local agencies and service providers to identify, evaluate, and meet the needs of historically underrepresented populations, particularly minority, low-income, inner-city and rural populations. It is, therefore, the policy of the United States to provide financial assistance to States to (1) develop and implement a statewide, comprehensive, coordinated, multidisciplinary, interagency system that provides early intervention services for infants and toddlers with disabilities and their families; (2) to facilitate the coordination of payment for early intervention services from Federal, State, local, and private sources (including public and private insurance coverage); (3) to enhance their capacity to provide quality early intervention services and expand and improve existing early intervention services being provided to infants and toddlers with disabilities and their families; and (4) to encourage States to expand opportunities for children under three years of age who would be at risk of having substantial developmental delay if they did not receive early intervention services.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	5,251.4	5,172.0	5,172.0
<b>Subprogram Total</b>	<b>5,251.4</b>	<b>5,172.0</b>	<b>5,172.0</b>
FTE Positions	11.0	10.0	10.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the family-centered model for Arizona's children birth to age three who have developmental delays and their families.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of districts where the strategic planning model was implemented for Early Intervention Program.	1	1	6	6

DES/Arizona Early Intervention Program has learned that attempting to deliver services and implement the strategic planning process under the same contract was causing capacity problems which limited the successful, expeditious implementation of the strategic planning model. During SFY 2003, DES/AzEIP conducted a Request for Information and issued a Request for Proposal to separately contract for implementation of the Strategic Planning Model.

DEA.1.5 SUBPROGRAM SUMMARY  
**EMPLOYEE SERVICES AND SUPPORT**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 41-1954(A)(1)(c)(2)

**Subprogram Mission:**

To assist employees to capably perform their jobs and to help ensure the Department of Economic Security provides services in an accountable, responsive, and effective manner.

**Subprogram Description:**

Division of Employee Services and Support provides support services to all employees and programs of DES. The division is made up of nine functional programs or offices: Appellate Services Administration, Audit & Management Services Administration, Office of Organization & Management Development, Office of Special Investigations, Volunteer Services, Research Administration, Office of Licensing, Certification and Regulation, and PRIDE/Employee Recognition. In addition, Network and Computer Services, also report to the Assistant Director.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,454.0	2,364.5	3,540.5
Other Appropriated Funds	60.4	266.2	266.2
Other Non Appropriated Fund	2,306.6	1,820.1	2,351.2
Federal Funds	10,857.5	9,458.0	10,129.9
<b>Subprogram Total</b>	<b>15,678.5</b>	<b>13,908.8</b>	<b>16,287.8</b>
FTE Positions	343.5	314.5	314.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the efficiency and quality of service delivery to customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of audits and process improvement projects completed.	28	28	25	25
● Number of staff attending cultural diversity training.	540	603	1,009	1,009

The centralized Diversity Awareness Pilot Training planned for FY 03 was placed on hold due to budgetary and reorganization issues. Staff reported received diversity awareness training through conference participation and through the Child Welfare Training Institute.

- ◆ Goal 2 - To improve customer satisfaction with the services and products we provide.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction rating based on annual survey for Office of Appellate Services Administration (Scale 1-5).	4.2	4.2	4.0	4.2
● Customer satisfaction rating based on annual survey for Audit and Management Services (Scale 1-5).	4.6	4.6	4.7	4.7

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction rating based on annual survey for Office of Organization and Management Development (Scale 1-5).	4.45	4.3	4.6	4.6
● Agency-wide customer satisfaction rating (Scale 1-5).	4.1	4.0	4.0	4.0
● Agency-wide employee satisfaction rating (Scale 1-5).	3.46	3.65	3.65	3.65

DEA.1.6                      SUBPROGRAM SUMMARY  
**BUSINESS AND FINANCE**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(1)(c)

**Subprogram Mission:**

*To provide innovative and integrated delivery of business services, policy, planning, rulemaking and special project activities for DES programs and customers through motivated and skilled professionals.*

**Subprogram Description:**

The program provides business services to the department for its program divisions to facilitate and support the agency's mission. These services include accounting services; financial management services; budget services; purchasing, contract administration; accounts receivable and collections support; financial systems management and analysis; operations support (i.e., printing services, mail (via contracted privatized provider), supply services and forms, and manual development; fleet services and equipment management; and facilities planning and property management. The Division coordinates financial funding and audit issues with state and federal entities. In addition, the Division provides policy, planning, project control, best practice, rules, HIPPA compliance, evaluation and special project services. The Information and Referral program provides assistance, generally by telephone, to allow individuals to gain access to appropriate human services statewide by providing the name, address and eligibility criteria of potential service providers. A 1-800 toll free line and internet access is also available.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	15,850.8	17,535.4	22,637.8
Other Appropriated Funds	105.3	1,262.6	1,262.6
Other Non Appropriated Fund	15,020.1	13,514.1	17,097.0
Federal Funds	29,970.0	26,818.2	29,783.5
Subprogram Total	60,946.2	59,130.3	70,780.9
FTE Positions	295.0	308.0	308.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality and timeliness of services delivered to our customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cost per dollar to recover overpayments.	.08	.10	.10	.10

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration as a percent of total cost.	5.9	5.3	5.3	5.3

FY 2001 and 2002 do not include administrative adjustments.

- Office of Policy, Planning and Project Control Customer satisfaction rating (scale 1 to 5).
- ◆ Goal 2 - To reinvent existing processes to create innovative solutions in support of department goals.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent completion of program budgeting implementation.	N/A	N/A	100	N/A

- ◆ Goal 3 - To provide information and referral services which assist households to access appropriate human services

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of clients surveyed for the Information and Referral Program.	19,237	8,500	9,000	9,500
● Percent of clients surveyed who were accurately referred by the Information and Referral program.	96.3	95.46	95.0	96.0

DEA.1.7                      SUBPROGRAM SUMMARY  
**TECHNOLOGY SERVICES**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(1)(c)

**Subprogram Mission:**

*To deliver efficient, effective business and technology services for DES customers and employees, in partnership with DES programs.*

**Subprogram Description:**

The Division of Technology Services (DTS) provides the information technology solutions to meet the needs of DES. DTS provides technical and systems services for the development, maintenance, and enhancement of automated business systems. DTS works to design integrated systems that are in compliance with agency standards.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,122.0	6,754.5	6,754.5
Other Appropriated Funds	13.6	204.1	204.1
Other Non Appropriated Fund	5,535.3	6,495.9	6,495.9
Federal Funds	12,168.6	12,454.6	12,454.6
Subprogram Total	23,839.5	25,909.1	25,909.1
FTE Positions	370.0	352.0	352.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide quality and timely services to our customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction rating for Office of Technology Services (scale 1 to 5).	4.16	4.00	4.00	5.00
● Percent Information Technology service help call requests resolved in one day (Due to relocation and change of telecom support, unable to establish a valid baseline in FY 2001.)	68.5	76.27	78.5	83.5

◆ Goal 2 - To expand the Internet and Intranet environments that support department-wide E-Government Services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of E-Government Technology Architecture (EGTA) developed.	N/A	N/A	100	N/A

◆ Goal 3 - To develop and implement a plan for recovery of IT Services in the event of a disaster.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of DES Data Center Disaster Recovery Plan developed.	N/A	100	N/A	N/A

DEA.1.8 SUBPROGRAM SUMMARY  
**PUBLIC ASSISTANCE COLLECTIONS**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 46-295

**Subprogram Mission:**

*To utilize Public Assistance Collection (PAC) monies in an effective, efficient manner so as to enhance the collection of PAC fund programs.*

**Subprogram Description:**

The program is used to improve public assistance collection activities. Collection activities resulting from this fund will focus on Temporary Assistance for Needy Families (TANF), General Assistance and Foster Care programs.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	186.4	230.1	230.1
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	171.1	177.8	177.8
Subprogram Total	357.5	407.9	407.9
FTE Positions	7.0	7.0	7.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To increase efficiency of collections in TANF, General Assistance and Foster Care.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cost per Public Assistance Collections dollar collected.	.1857	.2217	.2200	.2200

Federal regulations which became effective in August of 2001 reduce the amount of non-specified payments that are applied to the Public Assistance Collections fund. This change is now being seen in this area of performance and has increased the Public Assistance Collections fund cost of collections ratio.

DEA.1.9 SUBPROGRAM SUMMARY  
**POLICY AND PROGRAM DEVELOPMENT**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 41-1954 (A)(1)(e)

**Subprogram Mission:**

*to - THE FUNCTIONS AND PERFORMANCE MEASURES FOR THE FORMER DIVISION OF POLICY AND PROGRAM DEVELOPMENT HAVE BEEN INCORPORATED WITHIN THE DIVISION OF BUSINESS AND FINANCE, DEA 1.6*

**Subprogram Description:**

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,001.6	0.0	0.0
Other Appropriated Funds	2.5	0.0	0.0
Other Non Appropriated Fund	516.4	0.0	0.0
Federal Funds	2,466.3	0.0	0.0
Subprogram Total	3,986.8	0.0	0.0
FTE Positions	44.1	0.0	0.0

DEA.2 PROGRAM SUMMARY  
**ADMINISTRATION-AGING AND ADULT SERVICES**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 41-1954(A)

**Program 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.*

**Program Description:**

The Aging and Adult Administration (A&AA), within the Division of Aging and Community 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-chore, home health aid, personal care and home nursing), home repair/adaptation/ renovation, transportation, State Health Insurance Assistance Program, Family Caregiver Support Program, Long Term Care Ombudsman, legal assistance, congregate meals, home delivered meals, socialization/recreation, counseling, subsidized employment, volunteer opportunities and training, and adult day care.



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**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,754.6	3,672.0	3,633.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.3	0.4	0.4
Federal Funds	3,694.4	3,365.2	4,167.1
<b>Program Total</b>	<b>7,449.3</b>	<b>7,037.6</b>	<b>7,801.0</b>
FTE Positions	162.5	162.5	162.5

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To enhance administrative and contract management procedures to improve the quality of services provided to customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Average provider satisfaction rate (Based on a scale of 1-5).

The average range in which this measure fluctuates is 3.5 and 3.7.

DEA.3 PROGRAM SUMMARY  
**AAA HOME AND COMMUNITY BASED SERVICES**  
 Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A), 46-191, 46-193

**Program 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.*

**Program 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 and grandparents raising grandchildren.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	10,427.4	10,917.5	10,917.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	451.1	0.0	0.0
Federal Funds	21,586.2	25,232.8	25,232.8
<b>Program Total</b>	<b>32,464.7</b>	<b>36,150.3</b>	<b>36,150.3</b>
FTE Positions	0.0	0.0	0.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To enhance the capabilities of the Area Agencies on Aging to accurately forecast the allocation of contract dollars per client.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of authorized units utilized.

- ◆ Goal 2 - To improve the ability of the Home and Community Based Services system to assure that clients are retaining independence through the provision of services in the least restrictive environment and based upon the client's choice.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of survey respondents indicating provision of Home and Community Based Services avoided premature institutionalization (active cases) (bi-annual survey).

- ◆ Goal 3 - To provide caregiver support services aimed at meeting the needs of the family caregiver

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Number of caregivers receiving services.

DEA.4 PROGRAM SUMMARY  
**ELDER RIGHTS**  
 Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(1)(b); 46-451, 46-452.02

**Program Mission:**

*To provide statewide leadership in the areas of planning, developing, and coordinating a comprehensive system of protection and advocacy programs that assists disabled and vulnerable elders to exercise their rights and choices promised by law.*

**Program Description:**

Elder Rights, established as a result of Title VII of the Older Americans Act, includes four major components under state leadership. These components are Elder Abuse Prevention; Legal Services Assistance; State Long Term Care Ombudsman; and State Health Insurance Assistance Program for insurance and public benefits. 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	387.7	565.5	565.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.5	0.5	0.5
Federal Funds	685.6	825.0	825.0
<b>Program Total</b>	<b>1,073.8</b>	<b>1,391.0</b>	<b>1,391.0</b>
FTE Positions	0.0	0.0	0.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To improve the Adult Protective Services investigation

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process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Adult Protective Services investigation percentage rate.	79.92	78.32	80.60	80.60

There are various factors, such as hiring freezes, and vacancies, which impact this measure and may cause the rate to fluctuate by a few percentage points.

◆ Goal 2 - To enhance Medicare beneficiaries' knowledge and understanding of their benefits, health care coverage, and options.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of hours per day that counselors are available.	11	6.6	8	8

◆ Goal 3 - To improve the effectiveness of the Long-Term Care Ombudsman Program in assisting residents of Long-Term Care facilities to resolve complaints.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of verified complaints resolved to the resident's satisfaction.	96	79	80	80

◆ Goal 4 - To improve the provision of legal services assistance for vulnerable adults in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of client satisfaction with Legal Services.	86	97	97	97

General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.5	0.5
Federal Funds	1,476.7	1,525.0	1,525.0
Program Total	1,476.7	1,525.5	1,525.5
FTE Positions	0.0	0.0	0.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To improve the quality of life of workers age 55 and over by moving them toward self-sufficiency through training and employment opportunities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of participants in Older Workers program transitioned from subsidized to unsubsidized positions.	31	21	25	37

FY 2002 Actual number reflects combined federal funding from National Council on Aging and Department of Labor. FY 2003-2005 expected numbers reflect only Department of Labor federal funds. National Council on Aging funds are no longer administered by the Administration.

◆ Goal 2 - To improve the quality of life of low income persons age 60 and over while providing meaningful intergenerational contact with special needs children.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of respondents indicating satisfaction with the Foster Grandparent program.	92	84	84	84

Changes in federal funds impact number of clients served/program capacity.

DEA.5	<b>PROGRAM SUMMARY OLDER WORKERS</b>
Contact: Alcira Angulo, Supervisor	
Phone: (602) 542-0213	
A.R.S. § 41-1954(A)(1)(b)	

**Program Mission:**

To empower economically disadvantaged persons age 55 or older with job opportunities in training programs or stipend volunteer programs to enhance the participants' quality of life.

**Program Description:**

This unit includes Title V, the Senior Community Service Employment Program of the Older Americans Act, which provides subsidized part-time employment to older workers 55 years of age and older who are at or below 125% of poverty. The purpose of Title V is to train workers to enable them to move to unsubsidized positions in the public and private sectors. Provisions of the Title V program require that unsubsidized employment be for a minimum of any combination of hours worked and wage earned which results in an amount greater than 20 hours per week multiplied by the federal minimum wage. This unit also includes the Foster Grandparent Program which provides stipends and travel expenses to volunteers 60 years of age and older who are at or below poverty guidelines to work with children with special needs.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

DEA.6	<b>PROGRAM SUMMARY ADMINISTRATION-COMMUNITY SERVICES</b>
Contact: Alcira Angulo, Supervisor	
Phone: (602) 542-0213	
A.R.S. § 41-1954(A)(1)(b)	

**Program Mission:**

To provide leadership by establishing partnerships and building provider networks that deliver premier human services to at-risk populations.

**Program Description:**

Urgent, short-term basic needs are addressed by providing direct services and utilizing networks and partnerships. Working with partners throughout Arizona, programs and services include: direct and indirect client assistance; solicitation, development, negotiation, implementation and monitoring of service contracts; fiscal review; contract compliance assessment; technical assistance to improve effectiveness and accountability; and identification of training needs.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	375.6	381.7	381.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	243.0	164.3	164.3
Federal Funds	1,685.1	1,593.5	1,593.5
Program Total	2,303.7	2,139.5	2,139.5
FTE Positions	56.9	56.9	56.9

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To improve the effectiveness and efficiency of the Community Services Administration.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of invoices processed within 7 business days.	78	95	86	86

- ◆ Goal 2 - To increase the awareness of programs and services administered by Community Services Administration.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Web site satisfaction rating.	N/A	Update	Baseline	Modify

**Subprogram Mission:**

*To temporarily stabilize low income households having an urgent, basic need which cannot be met with their own or other resources.*

**Subprogram Description:**

Through contracts with community agencies, federal and state funds are used to provide temporary financial assistance in emergency situations. Assistance is provided for: utilities, shelter, repairs, and special needs.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	500.0	500.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	10,203.3	12,060.7	12,060.7
Subprogram Total	10,203.3	12,560.7	12,560.7
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure the availability of community action programs and services to low income individuals and to local communities through the state of Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent CSA Community Action Agency's Satisfaction Rating.	N/A	N/A	Baseline	Modify

- ◆ Goal 2 - To ensure the provision of case management services to low-income households throughout the State of Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of People's Information Guides distributed.	N/A	100,000	100,000	100,000

- ◆ Goal 3 - To ensure the provision of emergency assistance services to low income households throughout the State of Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of households receiving financial assistance in paying rent and mortgage.	N/A	3,716	3,720	3,720

- ◆ Goal 4 - To support the Community Action Network in addressing the causes of poverty in local areas throughout the State of Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of quarterly bulletins developed.	N/A	N/A	3	4

DEA.7 PROGRAM SUMMARY  
**COMMUNITY ACTION PROGRAM**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
PL 97-35, Title VI

**Program 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.*

**Program Description:**

This program funds Community Action Agencies for services that assist with basic needs and to develop responses to poverty. Areas addressed by agencies include issues associated with poverty, homelessness, and hunger.

**This Program Contains the following Subprograms:**

- ▶ Emergency Assistance
- ▶ Utility Assistance

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	500.0	500.0
Other Non-Appropriated Fund	835.2	726.0	726.0
Federal Funds	17,727.5	19,452.9	19,452.9
Program Total	18,562.7	20,678.9	20,678.9
FTE Positions	0.0	0.0	0.0

DEA.7.1 SUBPROGRAM SUMMARY  
**EMERGENCY ASSISTANCE**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 41-1954(A)(1); Title 46, Ch. 2, Art. 2.1

DEA.7.2 SUBPROGRAM SUMMARY  
**UTILITY ASSISTANCE**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 41-1954(A)(1); PL 97-35, Title VI

**Subprogram Mission:**

*To assist low-income households obtain and maintain basic utility services.*

**Subprogram Description:**

These programs provide utility benefits, deposits, repairs or replacement of appliances, discounts on utility bills or telephones to low-income households, as well as full payment of telephone services for medically needy individuals.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	835.2	726.0	726.0
Federal Funds	7,524.2	7,392.2	7,392.2
Subprogram Total	8,359.4	8,118.2	8,118.2
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure the provision of utility assistance services to eligible low-income households throughout the state, particularly those with the lowest income and highest energy burden.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of households receiving Low Income Home Energy Assistance Program benefits.	25,055	27,112	27,000	27,000

- ◆ Goal 2 - To work in partnership with utility companies to administer Utility Discount Programs to low-income households throughout the State of Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of low-income households participating in utility discount programs.	67,843	66,314	66,500	66,500

**This Program Contains the following Subprograms:**

- ▶ Overall Coordinated Hunger
- ▶ Rural Food Bank Project (sli)

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,245.5	1,286.6	1,286.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	1,073.5	1,676.1	1,676.1
Program Total	2,319.0	2,962.7	2,962.7
FTE Positions	0.0	0.0	0.0

DEA.8.1 SUBPROGRAM SUMMARY

**OVERALL COORDINATED HUNGER**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(18); 41-1981(E); PL 97-35, Title VI

**Subprogram Mission:**

*To facilitate effective services, programs and partnerships that address food security in Arizona.*

**Subprogram Description:**

The coordinated Hunger Relief Program (HRP) provides a focal point, as required in A.R.S. § 41-1954 (A)(18) and 41-1981 (E), for addressing hunger issues in Arizona. The program coordinates with various federal, state, and local organizations that provide food assistance to the hungry, and contracts with various hunger relief organizations to leverage federal and state resources. \*Note: The FTE and funding information for the Overall Coordinated Hunger Subprogram, DEA 8.1., is displayed in the Coordinated Hunger Programs, DEA 8.0.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	0.0	0.0	0.0
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To facilitate the resolution of critical hunger issues identified by customers and stakeholders, relative to the Coordinated Hunger Program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of community meetings held.	N/A	4	4	4

DEA.8 PROGRAM SUMMARY

**COORDINATED HUNGER PROGRAMS**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(18); 41-1981(E); PL 97-35, Title VI

**Program Mission:**

*To increase food security throughout Arizona's communities.*

**Program Description:**

The Coordinated Hunger Program (CHP) provides a focal point, as required in A.R.S. § 41-1954 (A) (18) and 41-1981 (E), for addressing hunger issues in Arizona. The program coordinates with various federal, state, and local organizations that provide food assistance to the hungry, and contracts with various hunger relief organizations to leverage federal and state resources.

\*\* Also, please note, the summary for this program comprises the Funding and FTE Summary information for the Overall Coordinated Hunger Subprogram, as part of Coordinate Hunger Programs; and is not reported (duplicated) in DEA 8.1.

- ◆ Goal 2 - To facilitate the coordination of federal, state, local, and hunger relief organization, providing food assistance to people, relative to the Coordinated Hunger Program.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of Temporary Emergency Food Assistance Program Orders.	6	6	6	6

- ◆ Goal 3 - To ensure that available federal and state funding for the cultivation, collection, receipt, handling, storage, and distribution of food is fully utilized by organizations that contract with DES to effectively provide such services.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of contracted funds utilized.	98.5	99.9	99.0	99.5

DEA.8.2 SUBPROGRAM SUMMARY  
**RURAL FOOD BANK PROJECT (SLI)**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 41-1954(A)(18); PL 97-35, Title VI

**Subprogram Mission:**

*To establish and support food banks and food distribution in rural areas of the state.*

**Subprogram Description:**

This subprogram helps develop the capacity and capability in rural and metropolitan areas of the state to consolidate food gleaning, solicitation and transportation efforts, and to coordinate distribution activities. Technical assistance is provided to rural communities developing local structures to administer food collection and distribution activities.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	1,245.5	1,286.6	1,286.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	1,073.5	1,676.1	1,676.1
Subprogram Total	2,319.0	2,962.7	2,962.7
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To more effectively distribute food resources among counties in Arizona.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Total pounds of food distributed by DES contracted food banks from all food sources (millions of pounds).	94.9	99.0	100	100
● Distribution costs per pound of food (food banks).	.01225	.01205	.01176	.0115248

DEA.9 PROGRAM SUMMARY  
**COORDINATED HOMELESS PROGRAMS**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 41-1954(A)(19); PL 100-77, PL 100-628

**Program Mission:**

*To assist homeless and near homeless individuals and families throughout the state.*

**Program Description:**

The Coordinated Homeless Program includes needs assessment, planning and coordination activities, and contracting of funds to community-based organizations providing services for homeless individuals and families utilizing a variety of strategies including but not limited to: congregate emergency shelter; hotel/motel vouchers for emergency shelter; transitional housing; and assisting with move-in expenses.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	1,112.3	1,155.4	1,155.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	31.8	35.0	35.0
Federal Funds	2,638.5	2,679.6	2,679.6
Program Total	3,782.6	3,870.0	3,870.0
FTE Positions	0.0	0.0	0.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To assess the needs and characteristics of homeless individuals and families on an annual basis

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Semi Annual Survey.	N/A	2	2	2
● Request for Information meeting held.	N/A	N/A	N/A	N/A

- ◆ Goal 2 - To develop and fund needed services for homeless individuals and families through a variety of strategies.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Individuals receiving emergency shelter.	12,483	14,841	12,000	12,000
● Individuals receiving transitional housing.	2,121	2,965	3,000	3,000

- ◆ Goal 3 - To promote an efficient, effective delivery system for homeless individuals and families

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Total number of communities developing continuum of care plans.	21	26	28	28

- ◆ Goal 4 - To serve as a clearing house on information regarding funding and services available to assist homeless or near homeless persons.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of directories published.	N/A	1	0	1

- ◆ Goal 2 - To partner with the shelter providers to improve the accessibility and quality of the domestic violence service network.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average cost to operate an emergency shelter - annualized and based on 21 beds.	546,571	546,871	546,871	546,871

DEA.10 PROGRAM SUMMARY  
**DOMESTIC VIOLENCE PROGRAM**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 36-3001 - 36-3009

DEA.11 PROGRAM SUMMARY  
**REFUGEE RESETTLEMENT PROGRAM**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
PL 96-212

**Program 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.*

**Program 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 non-profit 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 Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,422.0	2,507.9	2,507.9
Other Appropriated Funds	1,500.0	1,700.0	1,700.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	4,887.9	5,679.6	5,679.6
<b>Program Total</b>	<b>8,809.9</b>	<b>9,887.5</b>	<b>9,887.5</b>
FTE Positions	0.0	0.0	0.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To assist the community in meeting the needs of victims of domestic violence and their children.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of women and children sheltered in emergency shelters.	8,606	9,307	8,600	8,700
● Number of unduplicated women and children sheltered in transitional housing.	412	428	400	400
● Number of victims assisted in self-help clinics.	3,095	3,216	2,650	2,650
● Number of victims provided with civil legal assistance.	5,002	3,551	4,000	4,000
● Number of victims provided with lay legal advocacy.	2,078	2,034	2,000	2,000

**Program Mission:**

*To assist refugees in Arizona with attaining social and economic self-sufficiency and well-being.*

**Program Description:**

Through the coordination of public and private resources, the Arizona Refugee Resettlement Program promotes successful refugee resettlement through contracts and direct services that effectively use social services formula and discretionary, targeted assistance, and cash and medical assistance grants to best enable refugees to achieve social and economic self-sufficiency.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	6,306.3	7,863.3	7,863.3
<b>Program Total</b>	<b>6,306.3</b>	<b>7,863.3</b>	<b>7,863.3</b>
FTE Positions	0.0	0.0	0.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To promote refugee social and economic self-sufficiency and well-being.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of refugees receiving refugee cash assistance.	908	365	800	800
● Number of refugees placed in employment.	820	743	800	800
● Average hourly salary of refugees placed in employment.	7.33	7.31	7.00	7.00
● Percent of eligibility determinations made within 48 hours.	99.0	100.0	98.0	98.0
● Number of eligible refugees receiving medical assistance.	3,347	2,601	847	847
● Number of older refugees served through outreach services.	2,333	2,065	1,500	1,500

DEA.12 PROGRAM SUMMARY  
**DISABILITY DETERMINATION SERVICES  
 ADMINISTRATION**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 46-1954(A)(1)(b)

**Program Mission:**

*To provide timely and accurate disability determinations for the people we serve.*

**Program 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. The DDSA operates under federal statutes and regulations which 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, the 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.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	71.4	180.6	180.6
Federal Funds	18,573.9	24,300.0	24,300.0
<b>Program Total</b>	<b>18,645.3</b>	<b>24,480.6</b>	<b>24,480.6</b>
FTE Positions	233.0	253.0	253.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To improve Disability Determination Services Administration performance.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of correct cases.	96.5	94.3	97.3	97.3
● Average Social Security Disability Insurance initial case processing time (days).	84.6	91.2	82.6	82.6
● Average Supplemental Security Income initial case processing time (days).	81.2	90.1	79.2	79.2

- ◆ Goal 2 - To improve customer satisfaction.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction rating (Scale 1-5).	4.29	4.46	4.4	4.4

- ◆ Goal 3 - To increase the effectiveness of relationships with business partners.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of rural vendors.	129	135	135	135

- ◆ Goal 4 - To increase job satisfaction.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent increase of job satisfaction.	89.1	89.0	89.5	89.5

DEA.13 PROGRAM SUMMARY  
**FAMILY ASSISTANCE**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(1)(b)(c)

**Program Mission:**

*To assist individuals and families to improve their quality of life.*

**Program Description:**

The program ensures conformity with federal and state laws in the Food Stamp, Cash Assistance under Temporary Assistance for Needy Families (TANF), General Assistance, Institutional Support Payments and Tuberculosis Control programs; coordinates eligibility determination for Medical Assistance Only programs; and provides Child Passenger Restraint seats.

**This Program Contains the following Subprograms:**

- ▶ Family Assistance Administration
- ▶ Cash Assistance Under Temporary Assistance For Needy Families (sli)
- ▶ Child Passenger Restraint
- ▶ Eligibility Determination
- ▶ Food Stamps
- ▶ General Assistance (sli)
- ▶ Tuberculosis Control (sli)
- ▶ Institutional Support Payments (sli)
- ▶ Office of Program Evaluation

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	80,510.2	83,307.7	152,972.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	63,284.7	64,325.7	68,578.8
Federal Funds	594,588.1	728,768.7	728,768.7
<b>Program Total</b>	<b>738,383.0</b>	<b>876,402.1</b>	<b>950,320.0</b>
FTE Positions	2,798.5	2,730.0	2,707.6

DEA.13.1 SUBPROGRAM SUMMARY  
**FAMILY ASSISTANCE ADMINISTRATION**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(1)(c)

**Subprogram Mission:**

*To assist individuals and families to improve their quality of life.*

**Subprogram Description:**

The Family Assistance Administration provides support to field staff by providing leadership, oversight, policy and procedures, training, system support, financial and purchasing control, human resources and management information. The subprogram ensures conformity with federal and state laws in the Food Stamp, Cash Assistance under Temporary Assistance for Needy Families (TANF), General Assistance, Institutional Support Payments and Tuberculosis Control programs; coordinates eligibility determination for Medical Assistance Only programs; and provides Child Passenger Restraint seats. Also, please note, the summary for this program comprises the Funding and FTE Summary information for Eligibility Determination, as part of the Family Assistance Program; and it is not reported (duplicated) in DEA 13.4.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	20,101.6	20,981.8	26,619.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	62,475.2	62,794.6	67,047.7
Federal Funds	31,355.5	29,131.7	29,131.7
<b>Subprogram Total</b>	<b>113,932.3</b>	<b>112,908.1</b>	<b>122,799.1</b>
FTE Positions	2,740.5	2,672.0	2,649.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the Family Assistance Administration's efficiency and accountability.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Maintain cycle time to process Food Stamp initial applications.	20.1	19.6	22.1	22.1

- ◆ Goal 2 - To reduce the number of employees who separate from the Family Assistance Administration due to job dissatisfaction.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of staff satisfied with job (satisfied with job is a 3 to 5 rating).	90.6	74.6	90.8	90.8
● Percent turnover rate.	9.4	13.2	12.9	13.9
● Percent of Family Assistance Administration employees who separate due to job dissatisfaction.	11.00	9.57	9.37	9.23
● Number of Family Assistance Administration employees completing employee exit survey.	60	98	98	98

DEA.13.2 SUBPROGRAM SUMMARY  
**CASH ASSISTANCE UNDER TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (SLI)**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(1)(c); Title 46, Ch. 2, Art. 5

**Subprogram Mission:**

*To assist individuals and families to improve their quality of life.*

**Subprogram Description:**

Cash Assistance (CA) under Temporary Assistance for Needy Families (TANF) provides for financial benefit payments to those individuals who meet the eligibility criteria of the federally funded program. The CA Program operates under the Welfare Reform Demonstration Project EMPOWER (Employing and Moving People Off Welfare and Encouraging Responsibility). EMPOWER provides temporary cash assistance to families who are seeking employment or completing an education or training program that enables them to move into the work force and leave the welfare system. The major provisions of EMPOWER include: Time Limited Assistance - Adult Household members can only receive CA for 24 months during a five year period of time; Family Benefit Cap - CA benefits will not be increased for additional children; Unwed Minor Parents - Eligibility of unwed minor parents is limited; Individual Development Account - Allowing an educational/training savings account that will not count against the CA or food stamp resource limits; and Transitional Medical Assistance - extending benefits from 12 to 24 months. In addition to the EMPOWER provisions, the CA Program includes a grant diversion option. The diversion option offers a one-time up-front payment to needy CA applicants who are likely to obtain immediate employment. The one-time diversion payment may eliminate the applicant's need for on-going CA assistance.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	55,570.8	57,092.1	121,119.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	103,842.9	112,745.6	112,745.6
<b>Subprogram Total</b>	<b>159,413.7</b>	<b>169,837.7</b>	<b>233,864.6</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the Family Assistance Administration's efficiency and accountability.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Cash Benefits issued timely.	99.4	96.5	98.6	98.6
● Percent of total Cash Benefits payments issued accurately.	95.3	95.6	95.0	95.0
● Average Cash Benefits caseload.	37,167	45,297	55,205	64,466
● Average number of Cash Assistance recipients.	94,066	115,289	140,496	164,067



DEA.13.3 SUBPROGRAM SUMMARY  
**CHILD PASSENGER RESTRAINT**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 28-907

**Subprogram Mission:**

To provide car seats to applicants who meet eligibility criteria.

**Subprogram Description:**

The subprogram provides car seats for distribution to requesting hospitals, health clinics, domestic violence shelters, and homeless shelters for loan to indigent applicants.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	100.3	270.0	270.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>100.3</b>	<b>270.0</b>	<b>270.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To disburse the Child Passenger Restraint Fund monies on purchasing and distributing child restraints seats.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Car seats purchased and distributed.	6,216	5,795	3,157	3,157
● Cost per car seat.	35.08	38.80	39.73	39.73

DEA.13.4 SUBPROGRAM SUMMARY  
**ELIGIBILITY DETERMINATION**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 46-204

**Subprogram Mission:**

To assist individuals and families to improve their quality of life.

**Subprogram Description:**

The subprogram ensures conformity with federal and state laws in the Food Stamp, Cash Assistance (CA) under Temporary Assistance for Needy Families (TANF), General Assistance, Institutional Support Payments, and Tuberculosis Control programs. In addition, it conducts eligibility for Medical Assistance (MA) programs. \*\* As in prior years, the funding information for the Eligibility Determination Subprogram, DEA 13.4., is displayed in the Family Assistance Administration Subprogram, DEA 13.1.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of clients satisfied with Family Assistance Administration.	92.0	90.2	88.2	88.2

- ◆ Goal 2 - To increase the Family Assistance Administration's efficiency and accountability.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Medical Assistance timeliness rate.	93.2	92.9	95.7	95.7
● Medical Assistance case accuracy rate.	93.3	90.04	94.3	97.0

DEA.13.5 SUBPROGRAM SUMMARY  
**FOOD STAMPS**

Contact: , Supervisor  
Phone: (602) 542-0213  
A.R.S. § 46-136

**Subprogram Mission:**

To assist individuals and families to improve their quality of life.

**Subprogram Description:**

Food Stamps (FS) provide 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 food stamps through electronic benefit transfers (EBT) and food stamp coupons.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	458,377.7	585,842.4	585,842.4
Subprogram Total	458,377.7	585,842.4	585,842.4
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the Family Assistance Administration's efficiency and accountability.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• FS timeliness rate.	92.6	90.6	95.3	95.3
• Percent of total food stamp payments issued accurately.	95.5	92.7	93.0	93.0
• Average monthly number of FS recipients.	355,722	442,320	590,545	713,548

Estimates based on Farm Bill changes drawing more individuals to apply for food stamps. DES is increasing the food stamps' outreach efforts to reach targeted numbers.

DEA.13.6 SUBPROGRAM SUMMARY  
**GENERAL ASSISTANCE (SLI)**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. Title 46, Ch. 2, Art. 2

**Subprogram Mission:**

To assist individuals and families to improve their quality of life.

**Subprogram Description:**

This 100 percent state funded subprogram provides financial assistance to individuals who are unemployable because of physical or mental disability.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,935.8	4,260.8	4,260.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	3,935.8	4,260.8	4,260.8
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the Family Assistance Administration's efficiency and accountability.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• General Assistance timeliness rate.	96.40	95.9	96.80	96.8

DEA.13.7 SUBPROGRAM SUMMARY  
**TUBERCULOSIS CONTROL (SLI)**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 36-716

**Subprogram Mission:**

To assist individuals and families to improve their quality of life.

**Subprogram Description:**

This subprogram provides financial assistance and support services to persons certified unemployable because of communicable tuberculosis.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	20.0	32.2	32.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	20.0	32.2	32.2
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the Family Assistance Administration's efficiency and accountability.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Tuberculosis Control timeliness rate.	94.3	98.2	100	100

DEA.13.8 SUBPROGRAM SUMMARY  
**INSTITUTIONAL SUPPORT PAYMENTS (SLI)**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 46-252

**Subprogram Mission:**

*To assist individuals and families to improve their quality of life.*

**Subprogram Description:**

The purpose of the Institutional Support Payments (ISP) subprogram is to certify payments to eligible aged, blind, or disabled persons in licensed supervisory care, adult foster care homes, residents of licensed 24-hour residential care behavioral health facilities, and other licensed long term care institutions.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	0.0	0.0	0.0
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the Family Assistance Administration's efficiency and accountability.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Institutional Support Payments timeliness rate.	99.4	N/A	N/A	N/A

DEA.13.9 SUBPROGRAM SUMMARY  
**OFFICE OF PROGRAM EVALUATION**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(3)(4)

**Subprogram Mission:**

*To partner with the Family Assistance Administration in improving quality performance through evaluation of programs.*

**Subprogram Description:**

The Office of Program Evaluation (OPE) evaluates and monitors eligibility for the following programs: Cash Assistance (CA), Food Stamps (FS), General Assistance (GA), sanction compliance within JOBS (DERS) program and specialized areas within the Arizona Health Care Cost Containment System (AHCCCS) through the application of approved quality control (QC) and performance measurements. The OPE performs a management evaluation (ME Unit) function by reviewing local office processes to determine FS and CA program accuracy and compliance with state and federal mandates.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	882.0	940.8	940.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	709.2	1,261.1	1,261.1
Federal Funds	1,012.0	1,049.0	1,049.0
Subprogram Total	2,603.2	3,250.9	3,250.9
FTE Positions	58.0	58.0	58.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To Improve job satisfaction.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of employees satisfied with Office of Program Evaluation.	100	89.3	96	96.5

- ◆ Goal 2 - To Improve the quality of customer service.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of customers satisfied with Office of Program Evaluation.	94.4	100	98.0	98.0
● Percent of Stakeholders satisfied with Office of Program Evaluation.	100.0	100	97.0	97.0

- ◆ Goal 3 - To increase Office of Program Evaluation/Family Assistance Administration efficiency and accountability.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of reviews completed timely (95 days).	99.9	N/A	99.0	99.0
● State Focus Office accuracy rates.	94.6	N/A	95.0	95.0
● Total dollar amount of federal differences in sub-sample reviews.	82.0	N/A	430	430
● Number of invalid negative reviews per year.	2	N/A	3	3

Office of Program Evaluation Performance Measures are reported on Federal Fiscal Year. The remainder of FY 2003 Federal data are not available until January 2004.

DEA.14	PROGRAM SUMMARY
<b>ADMINISTRATION FOR CHILDREN, YOUTH AND FAMILIES</b>	
Contact: Alcira Angulo, Supervisor	
Phone: (602) 542-0213	
A.R.S. § 41-1954(A)(1)(b)(c)	

**Program Mission:**

*To achieve safety, well-being, and permanency for children, youth, and families through leadership and the provision of quality services in partnership with communities; and to provide opportunities and services to families so that children at risk can grow in safe, caring environments, and advocates for children's rights and needs.*

**Program Description:**

This program provides centralized administrative support services for the programs provided in six geographic districts of the state. Administrative operations include, but are not limited to: staff training, policy and program development, federal programs and entitlements, client advocacy, due process, contract, budget, management information services, business support functions, district field support operations, and the child abuse hotline (centralized intake). This program also provides administrative support for the Office of Prevention and Family Support, the Protective Services Review Team, the Family Advocacy Office, as well as for the Substance Abuse Treatment Program.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	29,914.0	44,618.7	70,294.1
Other Appropriated Funds	142.7	209.6	209.6
Other Non-Appropriated Fund	765.5	346.6	346.6
Federal Funds	45,259.5	46,871.2	50,834.3
<b>Program Total</b>	<b>76,081.7</b>	<b>92,046.1</b>	<b>121,684.6</b>
FTE Positions	1,650.5	1,714.5	2,114.5

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide quality leadership and training opportunities to enhance the delivery of quality services and promote accountability.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of newly hired Child Protective Services specialists completing training within 7 months of hire.	100	100	100	100
● Average CPS provider satisfaction rating (Scale 1 to 5). <small>This measure has been replaced with a measure of the percent of CPS providers who rate satisfaction at 3 or higher to be consistent with the Key Performance Results measure.</small>	3.89	N/A	N/A	N/A
● Average CPS client satisfaction rating (Scale 1 to 5). <small>This measure has been replaced with a measure of the percent of CPS clients who rate satisfaction at 3 or higher to be consistent with the Key Performance Results measure.</small>	3.68	N/A	N/A	N/A
● Percent of CPS complaints reviewed by the Office of the Ombudsman Citizens Aide where allegations are reported as valid by the Ombudsman.	16	16	16	16

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of calls to the Family Advocate that relate to CPS complaints.	88	88	88	88
● Percent of CPS cases where the Family Advocate is involved and is successful in facilitating a solution.	90	90	90	90
● Percent of CPS providers who rate satisfaction at 3 or higher (Scale 1 to 5).	79.65	80.95	81.00	82.00
● Percent of CPS clients who rate satisfaction at 3 or higher (Scale 1 to 5).	72.97	75.27	76.00	77.00

- ◆ Goal 2 - To reduce time spent by CPS specialists on Administrative paperwork, including CHILDS functions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average percent of time spent on administrative paperwork as reported by CPS workers in an annual survey - District I.	6	<5	<5	<5
● Average percent of time spent on administrative paperwork as reported by CPS workers in an annual survey - District II.	5	<4	<4	<4
● Average percent of time spent on administrative paperwork as reported by CPS workers in an annual survey - District III.	5	<4	<4	<4
● Average percent of time spent on administrative paperwork as reported by CPS workers in an annual survey - District IV.	1	<1	<1	<1
● Average percent of time spent on administrative paperwork as reported by CPS workers in an annual survey - District V.	1	<1	<1	<1
● Average percent of time spent on administrative paperwork as reported by CPS workers in an annual survey - District VI.	1	<1	<1	<1

- ◆ Goal 3 - To improve employee satisfaction, retention and recruitment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent job satisfaction rating of employees.	48	55	55	55
● Percent increase in employee satisfaction on annual survey.	0	7	0	0
● Percent increase in the retention rate of Child Protective Service Specialist I, II, & IIIs.	1.4	2.7	2	2

DEA.15 PROGRAM SUMMARY  
**CHILD ABUSE PREVENTION**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(1)(b)

**Program Mission:**

*To strengthen and stabilize families and to increase public awareness of child abuse prevention.*

**Program Description:**

The program provides an array of community based services to families of newborns on a voluntary basis via its subprograms in various geographic locations. The program also provides methods for increasing public awareness regarding problems of child abuse and neglect; encourages professional groups and persons to recognize and deal with child abuse and its prevention; makes available information on child abuse and neglect prevention to agencies and groups that deal with this problem; and encourages development of community prevention programs.

**This Program Contains the following Subprograms:**

- ▶ **Healthy Families**
- ▶ **Child Abuse Prevention**
- ▶ **Family Support and Family Preservation**

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,006.5	815.7	815.7
Other Non-Appropriated Fund	4,857.2	2,215.8	2,215.8
Federal Funds	5,293.9	8,906.9	8,906.9
<b>Program Total</b>	<b>11,157.6</b>	<b>11,938.4</b>	<b>11,938.4</b>
FTE Positions	1.0	1.0	1.0

**Subprogram 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.*

**Subprogram Description:**

The Healthy Families Arizona subprogram is a community based multi-disciplinary program serving families of newborns and is designed to reduce stress, enhance family functioning, promote child health and development, enhance parent/child interaction, and minimize the incidence of abuse and neglect within a multi-cultural environment. This voluntary home visitation program provides a Family Support Specialist (FSS) who will assist the family in obtaining concrete services as well as provide emotional support, informal counseling, role modeling, effective life coping skills, bonding, education on child development, and developmental assessments so that early identification of any learning disabilities, physical handicaps, or behavioral health needs are determined. The FSS will provide education on the importance of preventive health care, assistance and encouragement to assess comprehensive private and public preschool and other school readiness programs, assistance in applying for private and public financial assistance, including employment services. The FSS works closely with the child's pediatrician in monitoring the child's health. Families may be visited anywhere from weekly to quarterly according to the family's level of need. Program services are available for five years.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	250.0	0.0	0.0
Other Non Appropriated Fund	4,857.2	2,215.8	2,215.8
Federal Funds	76.8	5,124.1	5,124.1
<b>Subprogram Total</b>	<b>5,184.0</b>	<b>7,339.9</b>	<b>7,339.9</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To prevent and reduce abuse and neglect of children while protecting vulnerable children under the age of five years.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Percent of program families not having a validated report of child abuse or neglect.	99.3	99.0	99.3	99.3
• Percent of Healthy Families Arizona participants who have reduced parental stress as measured by the PSI from baseline to 6 months.	63.9	62.0	63.9	63.9

FY 2002 actuals updated to reflect change in system generated data. Program is evaluated on a federal fiscal year basis. FY 2003 actuals not yet available.

DEA.15.1 SUBPROGRAM SUMMARY  
**HEALTHY FAMILIES**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 8-701

- ◆ Goal 2 - To enhance parents' ability to create stable and nurturing home environments and to enhance children's health and development for children under the age of five.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
Percent of program children having developmental screens to identify delays at appropriate intervals during year 1 of the program.	72.1	75.5	82	82

FY 2002 actuals updated to reflect change in system generated data. FY 2003 actuals not yet available. Program is evaluated on a federal fiscal year basis.

**DEA.15.2 SUBPROGRAM SUMMARY  
CHILD ABUSE PREVENTION**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 8-550.01

**Subprogram Mission:**

*To provide information about model child abuse prevention programs that will increase knowledge and skills of participants.*

**Subprogram Description:**

The annual Child Abuse Conference provides information on the entire prevention continuum from public awareness campaigns to prosecuting crimes against children. The revenue from the Child Abuse Prevention Fund is used for financial assistance to community child abuse and neglect prevention programs offering prevention services to children and their parents or guardians. The funds are currently used for the Healthy Families Arizona program, the Regional Child Abuse Prevention Councils, and the Child Abuse Prevention Conference.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	756.5	815.7	815.7
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>756.5</b>	<b>815.7</b>	<b>815.7</b>
FTE Positions	1.0	1.0	1.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide quality leadership and training opportunities to enhance the delivery of quality services and promote accountability.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
Average participant satisfaction with the Child Abuse Prevention Conference (scale 1-5).	4.5	3.9	4.5	4.5

Participants rated certain components lower than in the prior year.

**DEA.15.3 SUBPROGRAM SUMMARY  
FAMILY SUPPORT AND FAMILY PRESERVATION**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 8-701

**Subprogram Mission:**

*To strengthen, stabilize, and promote safety of all families through the development of a continuum of family-centered services which are comprehensive, coordinated, community-based, accessible, and culturally responsive.*

**Subprogram Description:**

Community based family support and preservation services, which are not limited to Child Protective Service cases, seek to improve the safety and well-being of families, enhance family functioning, foster a sense of self-reliance, reduce risk factors and stabilize families. A broad array of services are provided including, but not limited to, case management, housing search and relocation, assistance in securing child care, early intervention, food and nutrition, information and referral, mentoring, parenting skills training, peer self-help, supportive counseling, transportation, emergency services and intensive family preservation services. Service providers are required to form collaborative partnerships with other agencies for the provision of family centered services. Services provided are contingent upon the needs of the family and the community resources, and are voluntary.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	5,217.1	3,782.8	3,782.8
<b>Subprogram Total</b>	<b>5,217.1</b>	<b>3,782.8</b>	<b>3,782.8</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To enhance parents' ability to create stable and nurturing home environments and to enhance children's health and development.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
Percent of Family Support and Family participants not having subsequent substantiated CPS report.	99	N/A	99	99

Program is evaluated on a federal fiscal year basis. FY 2003 actuals will not be available until June 2004.

**DEA.16 PROGRAM SUMMARY  
CHILD PROTECTION SERVICES**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. Title 8, Ch 5 & 10

**Program Mission:**

*To protect children from child abuse and neglect inflicted or allowed by a parent,*

guardian, or custodian, to promote permanent placement for children who enter out-of-home care and to assist young adult transition from adolescence to adulthood.

**Program Description:**

This program provides specialized child welfare services that seek to prevent dependency, abuse and neglect of children. The Child Protective Services program includes the receiving, screening, and investigation of reports of alleged child abuse and neglect, assessment of child safety, assessment of whether children are at imminent risk of harm, and evaluation of conditions that support or refute the alleged abuse or neglect and need for emergency intervention. This program also provides services designed to stabilize a family in crisis, reduce risk factors that place children at risk of abuse and neglect, and preserve the family unit. This program provides an array of services that include Family Group Decision Making, Family Builders, Family Preservation services (intensive family services), case management, parent aide, and other in-home support services to families. In addition, services to promote permanence, stability, and continuity of care for children who enter out-of-home care are provided. These services include, but are not limited to: case management, permanency planning, provision of out-of-home care, adoptive and foster home recruitment, other out-of-home services to individuals or families, and independent living skills training.

**This Program Contains the following Subprograms:**

- ▶ Intake
- ▶ In-home Children Services
- ▶ Family Builders
- ▶ Intensive Family Services (sli)
- ▶ Family Reunification
- ▶ Out-of-home Children Services
- ▶ Child Severance Project
- ▶ Independent Living
- ▶ Subsidized Guardianship
- ▶ High Risk Infants

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	21,964.4	35,095.8	57,164.9
Other Appropriated Funds	0.0	750.0	750.0
Other Non-Appropriated Fund	3,400.0	890.0	890.0
Federal Funds	87,730.2	85,513.7	94,120.8
<b>Program Total</b>	<b>113,094.6</b>	<b>122,249.5</b>	<b>152,925.7</b>
FTE Positions	10.5	10.5	10.5

DEA.16.1 SUBPROGRAM SUMMARY

**INTAKE**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 8-802(C)

**Subprogram Mission:**

To protect children from alleged child abuse and neglect inflicted or allowed by a parent, legal guardian or custodian. The Child Abuse Hotline is the gateway for the community to identify children and families at risk by assessing information received and determining appropriate Hotline actions to support the community and agency in the protection of children.

**Subprogram Description:**

This subprogram provides specialized child welfare services that seek to prevent dependency, abuse, and neglect of children. The Child Protective Services program includes the receiving, screening, and investigation of reports of alleged child abuse, and neglect; assessment of whether children are at imminent risk of harm; and evaluation of conditions that support or refute the alleged abuse or neglect and need for emergency intervention. The Child Protective Services program, under A.R.S. § 8-802, is granted authority to receive reports from all sources regarding the possible abuse, neglect, abandonment, or exploitation of any child living within the boundaries of the State of Arizona. The Arizona Child Abuse Hotline, located in Phoenix, Arizona, is the receiving point for all telephone, faxed, and written communications from any person, law enforcement or judicial entity concerned about the possible or alleged abuse, neglect, abandonment, or exploitation of a child within the State of Arizona. Sources also include parents, mandated reporters, private citizens and anonymous reporters. Trained Child Protective Services Specialists answer all calls, asking specific cue questions regarding the type of abuse or neglect alleged. Information is assessed as to whether it meets the statutory requirement for a CPS report. Information is assessed and triaged regarding imminent risk of harm to the child. Field unit supervisors or after-hours staff are notified immediately when emergency intervention is needed.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,192.7	1,245.3	1,338.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	535.7	540.9	558.9
<b>Subprogram Total</b>	<b>1,728.4</b>	<b>1,786.2</b>	<b>1,897.2</b>
FTE Positions	10.5	10.5	10.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To prevent and reduce abuse and neglect of children while protecting vulnerable children.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of CPS reports received.	34,329	34,792	35,450	35,450
● Percent of CPS reports responded to by CPS staff.	80	84	86	86
● Percent of CPS reports responded to by Family Builders.	20	16	14	14
Funding for Family Builders was decreased.				
● CPS and Family Builders percent response rate.	100	100	100	100
● Percent of CPS original dependency cases where the court denied or dismissed.	3	3	3	3

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Percent of Office of Administrative Hearings where CPS case findings are affirmed.</li> </ul> <p>Current analysis indicates that FY 2003 projection was overestimated and current projections for out years are flat.</p>	86	86	86	86
<ul style="list-style-type: none"> <li>Number of substantiated reports of child maltreatment.</li> </ul>	3,783	2,726	3,700	3,700
<ul style="list-style-type: none"> <li>Percent of CPS reports that are substantiated.</li> </ul> <p>It is not possible to accurately predict nor control the rate at which CPS reports are substantiated.</p>	16.1	11	16.0	16.0

DEA.16.3 SUBPROGRAM SUMMARY  
**FAMILY BUILDERS**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 8-816

**Subprogram Mission:**

*To reduce the reoccurrence of abuse and neglect through the provision of collaborative community-based family centered services in an effort to preserve families and to identify and build on the capabilities of each family member in ways that have empowering consequences.*

**Subprogram Description:**

The Family Builders Program allows Child Protective Services (CPS) to refer selected low or potential risk child abuse reports to a network of community based providers for family assessments, case management, and services after triage by CPS. The program uses a strength-based, family-centered practice approach versus an investigative approach and seeks to reduce the reoccurrence of subsequent substantiated child abuse and neglect reports. Services available to families include: family assessment, case management, child day care, parenting skills training, parent aide services, respite services, referrals to community services, supportive intervention and guidance counseling, assistance in housing search and relocation, assistance with transportation, emergency services, intensive family preservation services and emergency shelter services.

DEA.16.2 SUBPROGRAM SUMMARY  
**IN-HOME CHILDREN SERVICES**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 8-801(1); 802(C)(6)

**Subprogram Mission:**

*To provide a continuum of quality, in-home family-centered services which will strengthen and stabilize families in need of support.*

**Subprogram Description:**

This subprogram provides specialized welfare services to families that seek to prevent dependency, abuse and neglect by reaching out with social services to stabilize family life and to preserve the family unit. This program focuses on families where unresolved problems have produced visible signs of dependency and child abuse or neglect and the home situation presents actual and potential risk to the physical or emotional well-being of children.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,017.3	1,262.3	1,452.3
Other Appropriated Funds	0.0	750.0	750.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	4,853.6	5,051.5	5,063.6
Subprogram Total	5,870.9	7,063.8	7,265.9
FTE Positions	0.0	0.0	0.0

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	4,765.2	5,200.0	5,200.0
Subprogram Total	4,765.2	5,200.0	5,200.0
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Average monthly number of in-home service only cases (unduplicated).</li> </ul> <p>FY 2002 actual has been up-dated to reflect changes in system-generated data.</p>	3,706	3,302	3,302	3,302

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To enhance parents' ability to create safe, stable and nurturing home environments that promote safety of all family members and healthy child development.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Number of families receiving Family Builders services.</li> </ul> <p>FY 2003 actual reflects a decrease in services due to funding reductions.</p>	2,562	1,926	1,795	1,795
<ul style="list-style-type: none"> <li>Of the families on which a Family Risk Scale was completed, percent of families with a reduction of risk on at least one risk scale at time of case closure.</li> </ul>	99	72	75	76
<ul style="list-style-type: none"> <li>Percent of families referred to CPS with a substantiated report within 6 months after receiving Family Builders services.</li> </ul>	<5	.16	<5	<5



DEA.16.4 SUBPROGRAM SUMMARY  
**INTENSIVE FAMILY SERVICES (SLI)**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(1)(b)

**Subprogram Mission:**

*To provide services to children who are at imminent risk of out-of-home placement due to abuse, neglect and dependency.*

**Subprogram Description:**

This program discontinued July 1, 2002 due to funding.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,985.5	1,985.6	1,985.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,985.5</b>	<b>1,985.6</b>	<b>1,985.6</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - Default Goal

DEA.16.5 SUBPROGRAM SUMMARY  
**FAMILY REUNIFICATION**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 8-812

**Subprogram Mission:**

*To develop and provide family-centered substance abuse and recovery support services that promote family independence, stability, self-sufficiency, and recovery from substance abuse, assure child safety and support permanency for children to parents whose substance abuse is a significant barrier to maintaining or reunifying the family (Arizona Families F.I.R.S.T.) To provide short-term, time-limited family reunification services to children and families who are involved with Child Protective Services (Family Group Decision Making).*

**Subprogram Description:**

The Arizona Families F.I.R.S.T. program provides a continuum of services that are family centered, child focused, comprehensive, coordinated, flexible, community based, accessible and culturally responsive. Substance abuse treatment and recovery support services are provided by contracted community providers via out-patient and residential settings. The services strive to be seamless, efficient, fiscally responsible and provide for customer-friendly services to eligible persons. The program design emphasizes outreach, engagement, aftercare and support services in addition to traditional substance abuse treatment. Substance abuse treatment services are offered in a variety of modalities including education, outpatient, intensive outpatient and residential treatment. Several residential providers allow children to remain with their parent during treatment. In addition to treatment services, essential elements based on family and community needs are incorporated into the service delivery such as gender-specific treatment, services for children, and motivational interviewing to assist the entire family in its recovery. The Family Group Decision Making process provides short-term, time-limited family reunification services to children and families who are involved with Child Protective Services. The family situation is one in which a child or children have been removed from their home due to child abuse or neglect. Through Family Group Decision Making, nuclear and extended family members are identified and services provided in an effort to quickly involve them in case planning decisions. The FGDM service approach is to view families from a strength-based perspective and to allow families the opportunity to problem solve.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	224.5	574.5	574.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	285.7	2,000.0	7,000.0
<b>Subprogram Total</b>	<b>510.2</b>	<b>2,574.5</b>	<b>7,574.5</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To promote recovery from alcohol and drug abuse for Arizona Families F.I.R.S.T. program participants.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of participants referred for substance abuse treatment services.	1,447	2,392	2,000	2,000
FY 2002 actual has been changed to reflect the entire year.				
● Percent increase in number of referred individuals who participated in at least 6 months of therapeutic services.	N/A	N/A	Baseline	N/A

This measure has been restated and new baseline data are scheduled for FY 2004.

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of referred individuals who participated in at least one therapeutic service.	N/A	Baseline	N/A	N/A

◆ Goal 2 - To reduce the recurrence of child abuse and neglect of Arizona Families F.I.R.S.T. program participants' children.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of individuals referred who completed at least 3 months of substance abuse treatment services and do not have a subsequent substantiated CPS report.	N/A	N/A	Baseline	N/A

This measure has been restated and new baseline data will be available for FY2004 collection.

◆ Goal 3 - To establish permanency for the children of Arizona Families F.I.R.S.T. program participants.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of children who achieve permanency through reunification, adoption or guardianship following parental participation in the substance abuse treatment program.	N/A	Baseline	N/A	N/A

This measure has been restated and new baseline data will be available December 2004.

DEA.16.6 SUBPROGRAM SUMMARY  
**OUT-OF-HOME CHILDREN SERVICES**  
 Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. Title 8, Ch 1, Art 1; Ch 5, Art 1,2,4; 8-806; 8-824

**Subprogram Mission:**

*To promote permanent placement for children who enter out-of-home care.*

**Subprogram Description:**

This subprogram's services 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.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	17,420.6	27,858.5	49,064.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	3,400.0	890.0	890.0
Federal Funds	74,527.3	69,912.0	73,489.0
Subprogram Total	95,347.9	98,660.5	123,443.6
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide suitable permanent homes in a timely manner for children who enter out-of-home care.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average length of stay in out-of-home care.	16.9	15.3	15.3	15.3

● Percent of children in out-of-home care who have not returned to their families or been placed in another type of permanent placement for more than 24 consecutive months since they were removed from their homes.

The number of children leaving out-of-home care for reason of adoption is decreasing while the number leaving for reason of family reunification is increasing.

● Number of children with finalized adoptions.	893	772	772	772
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The number of children leaving out-of-home care for reason of adoption is decreasing while the number leaving for reason of family reunification is increasing.

● Number of children with new subsidized guardianships.	254	269	283	297
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● Percent of children in out-of-home care who exit the child welfare system who achieve permanent placement through reunification, adoption, or legal guardianship.	36	30	30	30
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FY 2002 to has been updated to reflect more current data. FY 03 actual and FY 04 and FY 05 estimates of a reduced percentage are due to fewer children leaving out-of-home care for reason of adoption and more children entering out-of-home care.

● Number of placements of racially and ethnically diverse children in adoptive homes.	514	418	418	418
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Reduced placements of racially and ethnically diverse children in adoptive homes due to the overall number of finalized adoptions decreasing.

◆ Goal 2 - To enhance children's health and development by providing stable and nurturing environments.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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● Number of newly licensed foster families.	345	532	665	731
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FY 2003 actual and FY 2004 and 2005 estimate includes licensed kinship foster care families.

● Number of newly licensed racial and ethnically diverse foster families.	124	195	205	215
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● Percent decrease of licensed foster families who close due to dissatisfaction with the foster care system.	1	1	1	1
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● Average length of stay in shelters, group homes, or institutions in months.	2.9	2.1	2	2
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Measure was edited to more accurately reflect data reported.

● Percent increase in certified adoptive and relative homes.	16.5	3	3	3
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Percent of CPS cases where most or all of the Foster Care Review Board recommendations are agreed on before court action as reported by the Board.</li> </ul>	N/A	N/A	N/A	N/A

Information not available. Data system development could not occur due to budget constraints.

DEA.16.7      **SUBPROGRAM SUMMARY**  
**CHILD SEVERANCE PROJECT**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 8-531; 8-544; 8-863

**Subprogram Mission:**

*To expedite procedures to terminate parent-child relationships for the purpose of placing children for adoption.*

**Subprogram Description:**

This subprogram is designed to expedite severance of the parent-child relationship so that permanency planning for adoption can proceed. It provides funding for Attorney General services and other services to expedite the severance process.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	10.3	0.0	0.0
<b>Subprogram Total</b>	<b>10.3</b>	<b>0.0</b>	<b>0.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the process for terminating the parent-child relationship when a child would not be safe if returned to the family.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Average length of time in months to complete Termination of Parental Rights filing procedures.</li> </ul>	4.57	3.58	3.50	3.45

FY 01 actual, FY 02 actual and FY 03 projections up-dated to reflect changes in system generated data.

DEA.16.8      **SUBPROGRAM SUMMARY**  
**INDEPENDENT LIVING**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 8-521

**Subprogram Mission:**

*To provide young adults with the opportunity to achieve individual self-sufficiency. The mission of the Homeless Youth Intervention Program is 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 and their families.*

**Subprogram Description:**

This subprogram provides training and financial assistance to children in out-of-home care who are making the transition from adolescence to adulthood. Youth served under the Independent Living Program are currently in out-of-home care, in the custody of the Department. Youth served under the Transitional Independent Living Program are former foster youth, currently between the ages of 18 and 21, who were in out-of-home care, in the custody of the Department, while age 16, 17, or 18. The focus of the Homeless Youth Intervention 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. These types of services may include but are not limited to: case management, parent aide, parent training, shelter care, counseling, and crisis intervention.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	1,936.2	1,950.0	1,950.0
<b>Subprogram Total</b>	<b>1,936.2</b>	<b>1,950.0</b>	<b>1,950.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To assist young adults to achieve self-sufficiency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Number of Independent Living Program participants.</li> </ul>	1,011	1,100	1,210	1,330
<ul style="list-style-type: none"> <li>Number of Independent Living subsidy participants.</li> </ul>	228	290	300	318
<ul style="list-style-type: none"> <li>Number of youth exiting the Independent Living Program, currently age 18-21.</li> </ul>	144	210	220	230
<ul style="list-style-type: none"> <li>Percent of Independent Living Program and Transitional Independent Living Program participants who have graduated from high school or received a General Equivalency Diploma.</li> </ul>	35	45	47	49
<ul style="list-style-type: none"> <li>Percent of Independent Living Program and Transitional Independent Living Program participants who have enrolled in college or a trade school after receiving a high school diploma or General Equivalency Diploma.</li> </ul>	31	61	65	70

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Percent of Independent Living Program participant discharges and Transitional Independent Living Program participants who are employed at the time of discharge.</li> </ul>	48	42	50	60

The number employed has decreased as the number of youths enrolled in college or trade school has increased.

◆ Goal 2 - To reunify homeless/runaway youth with their families.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Number of youth referred for Homeless Youth Intervention Program services.</li> </ul>	163	140	175	195

The number of youth referred to private agencies for services decreased.

◆ Goal 3 - To provide homeless/runaway youth with the opportunity to become self-sufficient if reunification with their family is not possible.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Percent increase in the number of Homeless Youth Intervention Program youth who have improved two or more presenting self-sufficiency issues.</li> </ul>	5	N/A	N/A	N/A

This measure is being replaced in FY 2003 with a measure concerning reunification that is easier to understand.

DEA.16.9                      SUBPROGRAM SUMMARY  
**SUBSIDIZED GUARDIANSHIP**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 8-814

**Subprogram Mission:**

*To provide permanency for children by strengthening the guardianship plan with a monetary subsidy to persons appointed permanent guardian of an adjudicated dependent child.*

**Subprogram Description:**

This subprogram provides a monthly partial reimbursement to caretakers appointed as permanent guardians of children in the care, custody, and control of the Department of Economic Security. These are children identified as unable to return home and for whom adoption has been ruled out. Medical services are provided to Title XIX eligible children through the Arizona Health Care Cost Containment System.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	123.8	2,169.6	2,749.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	816.2	859.3	859.3
<b>Subprogram Total</b>	<b>940.0</b>	<b>3,028.9</b>	<b>3,608.9</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Number of children with new finalized guardianships.</li> </ul>	279	334	360	360
<ul style="list-style-type: none"> <li>Number of children with new subsidized guardianships.</li> </ul>	254	269	283	297

DEA.16.10                      SUBPROGRAM SUMMARY  
**HIGH RISK INFANTS**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(1)(b)

**Subprogram Mission:**

*To promote safe and healthy home environments for infants who were exposed to drugs and alcohol during their mother's pregnancy.*

**Subprogram Description:**

This subprogram provides up to four months of intensive in-home services in Maricopa County and includes parent education (parenting skills), infant care, child development education, family counseling, and linkages to behavioral and substance abuse treatment services for the parent(s), and referral to medical services for the infant. These services are provided via ten community-based organizations and is known as Family Preservation/Project Thrive. The subprogram enables children who are at-risk of child abuse and neglect, due to prenatal substance abuse or medical factors, to thrive and be safely maintained in their homes. Eligibility for the subprogram is based on a newborn having been exposed to harmful substances or who is medically at-risk and has been assigned for Child Protective Services investigation.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	0.0	0.0	0.0
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide services to biological and extended families in order to promote safe and healthy home environments for substance exposed infants.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of families served (substance exposed newborns).	N/A	N/A	N/A	N/A

Program no longer funded.

DEA.17                      **PROGRAM SUMMARY**  
**ADOPTION SERVICES**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 8-141-8-173

**Program Mission:**

*To promote and maintain the adoption of special needs children through provision of necessary ongoing services to achieve the integration of the family and the eventual self-sufficiency of the child.*

**Program Description:**

This program subsidizes the adoption of special needs children who pose high financial risk to prospective adoptive parents because of physical, mental or emotional disorders; or who, because of age, sibling relationship, racial or ethnic background, would otherwise be difficult to place in adoption. Oftentimes the physical, mental, or emotional disorders are as a direct result of the abuse or neglect which the children may have suffered before entering into the child welfare system. Necessary ongoing services include monthly maintenance payments, reimbursement of services rendered by community providers, crisis intervention, case management,

information and referral, etc.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	12,995.3	22,314.5	24,306.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	30,735.1	25,687.5	27,575.9
Program Total	43,730.4	48,002.0	51,882.8
FTE Positions	0.0	0.0	0.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To promote placements in permanent adoptive homes.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of children with finalized adoptions.	900	772	772	772

FY 2002 actuals up-dated to reflect changes in system generated data. The number of children leaving out-of-home care for reason of adoption is decreased while the number leaving for reason of family reunification increased.

- Number of new adoptions subsidized.

The number of children leaving out-of-home care for reason of adoption is decreased while the number leaving for reason of family reunification increased.

DEA.18                      **PROGRAM SUMMARY**  
**COMPREHENSIVE CHILD CARE**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1967; 46-802; 46-807

**Program Mission:**

*To support the well-being and economic independence of Arizona's families by providing child care assistance and developing child care services.*

**Program 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 Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	18,832.2	31,057.9	63,774.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	140,260.5	126,412.4	91,595.8
Program Total	159,092.7	157,470.3	155,370.3
FTE Positions	178.3	175.8	175.8

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To improve the efficiency and quality of the child care program administration.

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of customer satisfaction with child care.	91.9	94.0	92.0	92.0

◆ Goal 2 - To increase the availability, supply, and quality of child care providers to support the needs of children and families.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of children whose families are assisted by Child Care Resource and Referral.	34,179	24,800	25,420	26,056
● Percent of increase in average yearly number of children assisted by Child Care Resource and Referral services.	(8.7)	(27.0)	2.5	2.5
● Number of accredited providers.	100	107	112	118
● Percent of increase in average yearly number of accredited providers.	5.0	7.0	5.0	5.0

◆ Goal 3 - To increasingly meet the child care needs for families that are working or are in work activities and are at or below 165% of the federal poverty level. (This population includes Temporary Assistance to Needy Families and Transitional Child Care families, as well as non-Temporary Assistance to Needy Families families.)

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total average children in all child care programs per month.	40,700	42,725	45,998	48,300
● Number of additional children in all child care programs.	607	2,025	(5,225)	0

General Funds	2,585.7	2,613.9	2,613.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	10,927.9	15,409.8	15,409.8
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>13,513.6</b>	<b>18,023.7</b>	<b>18,023.7</b>
FTE Positions	46.0	45.0	45.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To improve and/or increase performance.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of children enrolled.	7,562	7,401	7,500	7,500
FY 03 estimate reflects an overprojection of children entering out-of-home care.				
● Average annual cost per child served.	1,275	1,826	1,953	1,953
● Number of referrals for treatment based on Early and Periodic Screening and Diagnosis & Treatment screening*.	2,110	1,019	1,500	1,700
The reporting methodology created an undercount in FY 2003.				
● Average percent of children in foster care age 2 and under who are immunized.	55	N/A	N/A	N/A
The FY 03 actual and FY 04 and FY 05 estimates will be established after the availability of audited figures and a comprehensive review of the measure, including methodologies for data collection.				
● Timeliness of payments to providers (in days).	30	32	30	30

◆ Goal 2 - To improve employee satisfaction.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Employee retention rate percentage.	80	82	80	80

DEA.19 PROGRAM SUMMARY  
**COMPREHENSIVE MEDICAL AND DENTAL PROGRAM**  
 Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 8-512

**Program Mission:**

*To provide appropriate quality, cost effective, and preventive health services for the well being of Arizona's children in foster care.*

**Program Description:**

This program provides for the full coverage of medical and dental care for Arizona's foster children who are under the jurisdiction of the Department of Economic Security, Arizona Department of Juvenile Corrections, and the Administrative Office of the Courts/Juvenile Probation Offices. The program works with providers who are defined as medical professionals and foster parents/caregivers who provide care for children in foster care according to Arizona statute.

**Funding and FTE Amounts:**

(\$ Thousands)		
FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

DEA.20 PROGRAM SUMMARY  
**CHILD SUPPORT**  
 Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 41-1954(A)(1)(C), Laws 1994, Ch 374

**Program Mission:**

*To provide effective and fair child support services.*

**Program 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 Temporary Assistance to Needy Families (TANF), Arizona Health Care Cost Containment System (AHCCCS) Medical Assistance services, Foster Care, as well as to any other custodial or non-custodial person who applies for child support services. These services are provided pursuant to Title IV-D of the Social Security Act. Services in eight counties are provided by the Department of Economic Security, Division of Child Support Enforcement (DCSE), in conjunction with the Attorney General's Office. DCSE

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contracts with a private vendor to provide services in three counties and has intergovernmental agreements with County Attorneys to provide services in four counties. The program also provides payment processing services statewide for all cases, IV-D and non-Title IV-D.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,980.4	5,161.6	5,161.6
Other Appropriated Funds	10,858.4	12,263.4	12,263.4
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	29,960.8	34,999.2	34,999.2
<b>Program Total</b>	<b>43,799.6</b>	<b>52,424.2</b>	<b>52,424.2</b>
<b>FTE Positions</b>	<b>713.8</b>	<b>839.8</b>	<b>839.8</b>

**Program Goals and Performance Measures:**

◆ Goal 1 - To increase IV-D child support collections.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of IV-D cases.	231,067	254,153	269,402	277,484
● Court ordered IV-D cases.	148,473	155,156	164,656	174,536
Due to the current economic and employment conditions, there was an increase in the number of customers applying for Child Support services, which resulted in a larger than expected increase in Non Court Ordered cases.				
● IV-D cases with payments in the state fiscal year.	93,014	96,043	100,845	105,887
● Total IV-D collections (millions).	254.0	256.6	256.6	259.0
Due to the current economic and employment conditions collections were less than projected.				
● Percent change in IV-D collections from prior fiscal year.	6.75	0.97	0.02	0.94

◆ Goal 2 - To increase customer satisfaction.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent change in customers reporting satisfaction from prior fiscal year.	(0.05)	(4.32)	2.0	2.0
The customer surveyed are the Custodial Parents who are looking for payment. This is an indicator measure rather than a performance measure; and reflects an outcome of the economic and employment conditions.				

◆ Goal 3 - To improve the cost-effectiveness ratio.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● IV-D dollars collected for each IV-D dollar expended (cost-effectiveness ratio).	4.13	4.36	4.30	4.33
● Percent change in IV-D dollars collected for each IV-D dollar expended from prior fiscal year.	11.64	5.39	(1.18)	0.55

◆ Goal 4 - To sustain the number of paternity establishments for children who were born out of wedlock.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of IV-D caseload in the paternity function.	22.56	23.82	24.53	25.15

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Children in the IV-D caseload requiring paternity establishment.	62,561	72,636	79,291	83,751
● Children for whom paternity was established in the IV-D caseload.	14,101	12,839	14,655	15,252
● Total children for whom paternity was established including those established in the Hospital Based Paternity Program.	36,200	36,963	39,030	39,861
● Percent of IV-D children in the paternity function for whom paternity was established during the year.	19.50	20.52	20.19	19.24

◆ Goal 5 - To increase the number of Court Ordered IV-D cases.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Court ordered IV-D cases.	148,473	155,156	164,656	174,536
● Number of IV-D cases.	231,067	254,153	269,402	277,484
● Ratio of Court Ordered Cases (in percent).	64.26	61.05	61.12	62.90
● Percent of cases in the establishment function for which orders were established during the year.	29.11	24.91	28.46	27.15
Due to the current economic and employment conditions, there was an increase in the number of customers applying for Child Support services which resulted in a larger than expected increase in Non Court Ordered cases.				

◆ Goal 6 - To increase compliance with court orders.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● IV-D cases in the enforcement function.	143,456	149,334	158,478	167,987
● Percent of IV-D caseload in a IV-D enforcement function.	62.08	58.76	58.83	60.54
Due to the current economic and employment conditions, there was an increase in the number of customers applying for Child Support services, which resulted in a larger than expected increase in Non Court Ordered cases.				
● IV-D cases with payments in the state fiscal year.	93,014	96,043	100,845	105,887
● Percent change in IV-D cases with a IV-D payment from prior fiscal year.	4.87	3.26	5.00	5.00
● Percent of IV-D caseload with a IV-D payment.	40.25	37.79	37.43	38.16
● Ratio of current IV-D support collected and distributed to current IV-D support due.	45.66	45.63	45.88	46.13
● Percent of IV-D court ordered cases with a payment during the year.	62.65	61.90	61.25	60.67
● Percent of change in ratio of current IV-D support collected and distributed from prior fiscal year.	0.00	(0.03)	0.25	0.25
Due to the current economic and employment conditions collections less than projected.				

DEA.21 PROGRAM SUMMARY  
**ADMINISTRATION-DEVELOPMENTAL DISABILITIES**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. Title 36, Ch 5.1

**Program Mission:**

*To support the choices of individuals with developmental disabilities and their families by promoting and providing, within communities, flexible, quality, consumer-driven services and supports.*

**Program 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 mental retardation which is manifested before the age of 18; or children who are below the age of six and at risk of having a developmental disability. The Division of Developmental Disabilities serves both Arizona Long Term Care System (Long Term Care) eligible individuals and "state only" eligible individuals with developmental disabilities. Long Term Care is a federally funded 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. The Division of Developmental Disabilities coordinates services and resources through six district offices and approximately 43 local offices in various communities throughout the state. The districts and local offices promote utilization of existing community resources and program flexibility to meet individual needs.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,916.7	11,888.0	11,865.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	10,916.6	16,219.5	16,867.2
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>20,833.3</b>	<b>28,107.5</b>	<b>28,732.6</b>
FTE Positions	386.6	384.8	384.8

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To increase communication with and provision of information for individuals, families, and communities by providing information through various means about Divisions of Developmental Disabilities programs and related systems and services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of times the website is accessed.	N/A	37,864	41,650	45,815
● Percent increase in the number of times the website is accessed.	N/A	N/A	10	10

The baseline was established in FY 2003. Increased use will be reported beginning in FY 2004.

- ◆ Goal 2 - To increase opportunities for individuals and their families to have control over decisions and resources.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Degree of rate variance of services, per hour.

*These service of habilitation is provided as the example. Others are available upon request.*

- Percent of individuals/families who choose where they (or their family member) live (survey conducted every two years.).

- Number of families/individuals participating in individualized budget pilot\*\*.

*Only 68 people remain in the individualized budget pilot and it is now closed to new participants until the Division on Developmental Disabilities is given the authority and resources to implement a fiscal intermediary service needed to facilitate individualized budgets.*

- ◆ Goal 3 - To enhance the supports and services available to consumers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Customer Satisfaction with enhanced services to consumers with autism.

*Baseline to be established in FY 2004. Resources were not available in FY 2003 to conduct the assessment.*

- ◆ Goal 4 - To provide quality supports and services to families of children birth to three years of age.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of personnel that have met the Arizona Early Intervention Program personnel standards.

*The personnel standards are being reviewed for possible revision to address cost effectiveness and timeliness. These issues have impacted the achievement of the estimate for FY 2003.*

- ◆ Goal 5 - To effectively and efficiently manage Arizona Long Term Care System fiscal resources.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Arizona Long Term Care revenue per member per month.

*AHCCCS adjusted the capitation rate down which reduced the amount reflected in this measure.*

- Number of consumers with unmet need.

*Input and Outcome Measures pertaining to long term care needs were altered to better capture the service provision versus service need.*

- Number of consumers whose needs were met.

*Input and Outcome Measures pertaining to long term care needs were altered to better capture the service provision versus service need.*

- Number of Long Term Care services needed at the beginning of the fiscal year.

- Number of Long Term Care services provided to above customers by the end of the fiscal year.

- Percent of unmet need addressed.



DEA.22 PROGRAM SUMMARY  
**DDD CASE MANAGEMENT SERVICES**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. Title 36, Ch 5.1

**Program Mission:**

*To coordinate services and supports in a timely manner for eligible individuals with developmental disabilities and their families in order to ensure they attain their maximum potential for independence, productivity, and integration into the community.*

**Program Description:**

Case management services coordinates the assistance needed by Long Term Care and "state only" eligible individuals and their families.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	11,173.3	11,728.7	12,932.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	13,375.7	18,264.2	20,764.5
Federal Funds	188.7	185.0	185.0
<b>Program Total</b>	<b>24,737.7</b>	<b>30,177.9</b>	<b>33,882.2</b>
FTE Positions	642.3	705.3	705.3

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide quality case management services for all DDD clients.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of consumer satisfaction with case management services.	90	95	95	95
● Percent of individuals/families who choose their case manager (Survey conducted every two years.).	48	N/A	60	N/A
● Average number of clients served monthly, including state only and Long Term Care (estimate was based on combined reports.).	20,007	21,755	23,932	26,325

DEA.23 PROGRAM SUMMARY  
**DDD HOME AND COMMUNITY BASED SERVICES**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 36-552

**Program Mission:**

*To effectively meet the needs of Long Term Care and "state only" 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.*

**Program Description:**

This program consists of Home and Community Based Services, including but not limited to respite, habilitation, housekeeping, therapies, and attendant care delivered in home and community-based settings.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	125,036.2	145,100.3	160,781.9
Other Appropriated Funds	17,174.6	21,240.8	21,240.8
Other Non-Appropriated Fund	200,407.7	238,377.1	271,881.7
Federal Funds	3,528.7	3,698.2	3,698.2
<b>Program Total</b>	<b>346,147.2</b>	<b>408,416.4</b>	<b>457,602.6</b>
FTE Positions	149.6	149.6	149.6

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To increase consumer satisfaction with the Division of Developmental Disabilities Home and Community Based services, supports and systems.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of consumers (people who live at home) who are satisfied with services and supports (Survey conducted every two years.).	64	N/A	70	N/A
● Percent of families of children under 18 who are satisfied with services and supports (Survey conducted every two years.).	N/A	61	N/A	65
● Percent of families or individuals for people over 18, who do not live at home with family, who are satisfied with services and supports (Survey conducted every two years.).	N/A	81	N/A	85

- ◆ Goal 2 - To maintain the number of children returned home or placed in adoptive settings.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of foster children returned home.	15	18	20	20
● Number of foster children adopted.	42	33	40	40
The relatively low number of adoptions reflects the difficulty experienced when promoting adoption of children who are developmentally disabled.				
● Percent of children returned home or placed in adoptive homes.	20	17	20	20

DEA.24 PROGRAM SUMMARY  
**INSTITUTIONAL SERVICES**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 36-552

**Program Mission:**

*To provide services to eligible individuals with developmental disabilities to*

*maximize their functional capabilities, and to pursue home and community based placement whenever appropriate.*

**Program Description:**

This program consists of state and vendor operated Intermediate Care Facilities for the Mentally Retarded, Large Group Living Facilities, Nursing Facilities, and Residential Treatment Centers.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,120.7	4,307.0	5,369.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	8,731.6	8,105.8	10,314.7
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>12,852.3</b>	<b>12,412.8</b>	<b>15,683.8</b>
FTE Positions	77.7	77.7	77.7

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To place individuals with developmental disabilities transitioning to Home and Community Based Settings from nursing facility settings as indicated by the Pre-admission Screening and Annual Resident Review process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of clients screened.	47	110	110	110
● Percent of identified individuals moved within 30 days of notification.	100	100	100	100

DEA.25 PROGRAM SUMMARY  
**ARIZONA TRAINING PROGRAM AT COOLIDGE**  
 Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 36-2939(B)(1)

**Program Mission:**

*To provide active treatment to Arizona Long Term Care System and "state-only" eligible individuals, such as residential care, supervision, and services, to maximize their functional capabilities and to pursue home and community placements whenever possible and appropriate.*

**Program Description:**

Intermediate Care Facilities for the Mentally Retarded consists of certified residential facilities which provide active treatment and other services in accordance with federal and state regulations. Active treatment is defined as a continuous, aggressive, consistent implementation of a program of specialized and generic training, treatment, health services, and related services that is directed toward the acquisition of the behaviors necessary for the individual to function with as much self-determination as possible, and the prevention or deceleration of regression or loss of current optimal functional status. Active treatment does not include services to maintain generally independent individuals who are able to function with little supervision or in the absence of a continuous active treatment program. Large Group Living Facilities consists of large residential facilities certified by the Division of Developmental Disabilities that provide care and supervision on a 24-hour basis. State Operated Group Homes consists of home and community based services provided to eligible adults and children who live in licensed state operated residential settings serving fewer than six

individuals. The types of services provided include habilitation, room and board, day treatment services, and other home and community based support services.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,823.4	6,622.4	6,622.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	7,399.1	9,912.2	9,912.2
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>15,222.5</b>	<b>16,534.6</b>	<b>16,534.6</b>
FTE Positions	428.4	429.4	429.4

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide quality residential services in the Arizona Training Program at Coolidge Intermediate Care Facility for the Mentally Retarded, the large group living facility, and the state-operated group homes to eligible individuals.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of individuals living in Intermediate Care Facilities for the Mentally Retarded at the Arizona Training Program at Coolidge. <small>There were eight deaths and one individual moved from Arizona Training Program at Coolidge in FY 2003. Estimates are based on four individuals leaving ATPC each fiscal year, through death or movement to the community.</small>	124	117	113	109
● Number of individuals living in the state-operated group homes at the Arizona Training Program at Coolidge. <small>There were eight deaths and one individual moved from Arizona Training Program at Coolidge in FY 2003. Estimates are based on four individuals leaving ATPC each fiscal year, through death or movement to the community.</small>	30	28	28	28
● Average number of Arizona Training Program at Coolidge Clients. <small>There were eight deaths and one individual moved from Arizona Training Program at Coolidge in FY 2003. Estimates are based on four individuals leaving ATPC each fiscal year, through death or movement to the community.</small>	154	145	141	137
● Cost per member year at the Arizona Training Program at Coolidge (in dollars). <small>The Department reduced administrative costs, including costs of staff, travel and supplies at the Arizona Training Program at Coolidge.</small>	105,500	102,700	102,700	102,700

DEA.26 PROGRAM SUMMARY  
**MEDICAL SERVICES**  
 Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 36-2939

**Program 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.*

**Program Description:**

The program provides medical care and services for Long Term Care eligible individuals including hospital care; physician, pharmacy, laboratory, and rehabilitation services; durable medical equipment; Early and Periodic Screening Diagnosis and Treatment

and other medical services, care, and supports.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	19,268.9	21,278.5	26,695.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	37,673.7	45,174.9	56,440.5
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>56,942.6</b>	<b>66,453.4</b>	<b>83,135.7</b>
FTE Positions	36.7	36.7	36.7

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide cost effective, quality health care.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of consumers satisfied with care received from their Primary Care Physician. <small>The percentage reported is an average of the three health plans' reported satisfaction rates.</small>	95.0	91.0	95.0	95.0
● Percent of consumers who ave had a "Well Woman" exam in the past 3 years. (Survey conducted every two years). <small>New performance measure established to reflect new protocol established by the Center for Disease Control calling for well women exams every three years, except when prescribed at different intervals by the woman's Primary Care Physician.</small>	N/A	N/A	75	N/A

DEA.27                      PROGRAM SUMMARY  
**REHABILITATION SERVICES**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 41-1954(A)(1)(d);PL 105-220

**Program Mission:**

*To work with individuals with disabilities to achieve increased independence and/or gainful employment through the provision of comprehensive rehabilitative and employment support services in a partnership with all stakeholders.*

**Program Description:**

The program provides an array of specialized services to individuals who have physical or mental disabilities that constitute barriers to employment and/or independent living.

**This Program Contains the following Subprograms:**

- ▶ Rehabilitation Services Administration
- ▶ Vocational Rehabilitation Services
- ▶ Independent Living Rehabilitation Services
- ▶ Employment Support Services (sl)

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,940.7	6,742.3	13,118.1
Other Appropriated Funds	2,012.5	2,391.2	2,391.2
Other Non-Appropriated Fund	25,845.2	22,047.8	22,047.8
Federal Funds	38,812.8	43,775.8	45,375.8
<b>Program Total</b>	<b>73,611.2</b>	<b>74,957.1</b>	<b>82,932.9</b>

FTE Positions	750.2	714.1	714.1
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DEA.27                      SUBPROGRAM SUMMARY  
**REHABILITATION SERVICES ADMINISTRATION**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 41-1954(A)(1)(d);PL 105-220

**Subprogram Mission:**

*To work with individuals with disabilities to achieve increased independence and/or gainful employment through the provision of comprehensive rehabilitative and employment support services in a partnership with all stakeholders.*

**Subprogram Description:**

Rehabilitation Services Administration (RSA) provides general support in the following areas: leadership, training, consultation and resources to staff responsible for carrying out the mission of RSA through the three RSA subprograms: Vocational Rehabilitation (VR), Independent Living Rehabilitation Services (ILRS), and the Employment Support Services (ESS) program. RSA provides management services in the areas of: planning and evaluation, program services, finance and purchasing, human resources, and information management. RSA also manages specialized programs for the Blind and Visually Impaired: The Business Enterprise Program (BEP) and the Arizona Industries for the Blind (AIB), which provide employment and training opportunities for individuals who are primarily legally blind; and the Sight Conservation Program which provides eyeglasses to AHCCCS eligible adults. RSA also provides staff support to the following councils: The Governor's State Rehabilitation Council (SRC); the Governor's Council on Blindness and Visual Impairment and the Governor's Council on Spinal and Head Injuries. Additionally, RSA contracts with the Statewide Independence Living Council, which has obtained 501(c)(3) not for profit status.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,487.1	2,673.0	9,048.8
Other Appropriated Funds	464.0	478.8	478.8
Other Non Appropriated Fund	6,189.4	7,180.1	7,180.1
Federal Funds	17,645.5	19,126.4	20,726.4
<b>Subprogram Total</b>	<b>26,786.0</b>	<b>29,458.3</b>	<b>37,434.1</b>
FTE Positions	750.2	714.1	714.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide administrative support to field staff serving individuals with disabilities, the Governor's Councils, and internal and external customers for the purpose of assisting individuals with disabilities to obtain independence and self-sufficiency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of overall employee satisfaction survey.	70	72	72	72

DEA.27.2 SUBPROGRAM SUMMARY  
**VOCATIONAL REHABILITATION SERVICES**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. Title 23 Ch 3, Art 1 36-552

**Subprogram 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.*

**Subprogram Description:**

This subprogram assists individuals with disabilities to evaluate and determine appropriate employment goals and to identify the activities, services/goods necessary to achieve these goals. To assist individuals to achieve employment, this subprogram provides counseling and an array of individually planned and purchased services including: medical and psychological restoration, training, job development and placement, 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.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,994.3	3,285.1	3,285.1
Other Appropriated Funds	168.1	204.7	204.7
Other Non Appropriated Fund	1,808.4	2,931.5	2,931.5
Federal Funds	18,553.5	23,207.5	23,207.5
Subprogram Total	22,524.3	29,628.8	29,628.8
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To assist consumers to achieve meaningful and sustained work as effectively and efficiently as possible.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Vocational Rehabilitation Individuals successfully rehabilitated.	1,887	1,546	1,800	2,000

FY 2002-Decrease due to staffing turnover and Order of Selection, which is a system to prioritize individuals with the most significant disabilities requesting services (due to lack of resources).

- ◆ Goal 2 - To provide exceptional service to Vocational Rehabilitation consumers.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of overall Vocational Rehabilitation consumer satisfaction.	77	80	80	80

- ◆ Goal 3 - To provide exceptional services to employers, thereby increasing the number and quality of jobs available for persons with disabilities who are clients of the VR program.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Partners trained.	N/A	99	105	115

DEA.27.3 SUBPROGRAM SUMMARY  
**INDEPENDENT LIVING REHABILITATION SERVICES**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 (SLI) PL 93-112

**Subprogram 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.*

**Subprogram Description:**

The Independent Living Rehabilitation Services (ILRS) subprogram 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.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	625.7	784.2	784.2
Other Appropriated Funds	1,380.4	1,707.7	1,707.7
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	1,114.1	927.4	927.4
Subprogram Total	3,120.2	3,419.3	3,419.3
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the ability of individuals to make decisions leading to self-determination and to live independently.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Individuals who achieve or maintained their independence.	1,372	1,243	1,372	1,372

- ◆ Goal 2 - To provide eye examinations and glasses, not available through AHCCCS, for eligible Arizona adults who are financially needy.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Individuals receiving eye exams/glasses.	8,297	4,897	4,200	4,200

DEA.27.4 SUBPROGRAM SUMMARY  
**EMPLOYMENT SUPPORT SERVICES (SLI)**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. Title 41, Ch 14, Art 1.1

**Subprogram Mission:**

*To work with individuals with the most severe disabilities to maintain employment through the provision of employment support services in partnership with Community Rehabilitation Programs and all other stakeholders.*

**Subprogram Description:**

This subprogram provides: job coaching and other support services, i.e., counseling; case management; transportation; and monitoring for individuals with very severe disabilities to help them maintain their employment either within sheltered workshops, on community work crews or employer enclaves, or with private employers. This subprogram reviews the status of all individuals to determine whether opportunities exist to improve the individual's employment status. Opportunities to reduce reliance on long-term supports, increase the individual's independence and integration, and reduce program costs are constantly assessed.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,833.6	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	17,847.4	11,936.2	11,936.2
Federal Funds	1,499.7	514.5	514.5
Subprogram Total	21,180.7	12,450.7	12,450.7
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To maintain the ability to respond to the extended employment support service needs of individuals with the most significant disabilities exiting the Vocational Rehabilitation program who require long-term supports.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of individuals with the most significant disabilities who require long-term support.	1,717	1,717	90	90

DEA.28 PROGRAM SUMMARY  
**EMPLOYMENT SECURITY**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 A.R.S. § 23-601 to 23-799

**Program Mission:**

*To promote self-sufficiency and economic stability for present and potential job seekers and employers.*

**Program Description:**

Provides for the collection of taxes from covered employers, payment of unemployment insurance benefits to eligible individuals

based on their past earnings, job placement, counseling, job search assistance, referral to training, other employability services and opportunities to job seekers, recruitment services to employers, pre-occupancy housing inspections for migrant and seasonal farm workers, and technical assistance in the development of apprenticeship standards.

**This Program Contains the following Subprograms:**

- ▶ Employment Security Administration
- ▶ Employment Services
- ▶ Unemployment Insurance

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	8.8	85.0	85.0
Other Non-Appropriated Fund	526,497.1	525,618.1	525,618.1
Federal Funds	42,113.8	43,324.5	43,324.5
Program Total	568,619.7	569,027.6	569,027.6
FTE Positions	741.4	736.5	736.5

DEA.28.1 SUBPROGRAM SUMMARY  
**EMPLOYMENT SECURITY ADMINISTRATION**

Contact: Alcira Angulo, Supervisor  
 Phone: (602) 542-0213  
 (SLI) PL 93-112

**Subprogram Mission:**

*To provide the support which enables the Employment Security Administration (ESA) subprograms to meet their missions.*

**Subprogram Description:**

To provide support to the Employment Service subprograms by way of personnel functions and staff training; budgeting, purchasing and financial control; client advocacy; program monitoring; and benefit payment and control.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	596.0	618.1	618.1
Federal Funds	34,484.0	34,246.0	34,246.0
Subprogram Total	35,080.0	34,864.1	34,864.1
FTE Positions	741.4	736.5	736.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve employee job satisfaction.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Employment Security Administration staff satisfied with employee work schedules.	50.4	52.0	53.0	54.0

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of increase in Employment Security Administration staff satisfaction with Employment Security Administration employee work schedules.	1.5	0.6	1.0	1.0

DEA.28.2 SUBPROGRAM SUMMARY  
**EMPLOYMENT SERVICES**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
(SLI) PL 93-112

**Subprogram Mission:**

*To assist job seekers and employers to achieve a quality workforce through an improved service delivery system.*

**Subprogram 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 Amounts:** (\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	6,099.0	6,678.5	6,678.5
Subprogram Total	6,099.0	6,678.5	6,678.5
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide employment opportunities for individuals seeking employment and recruitment services to employers.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of job seekers placed.	72,839	96,021	73,008	73,738

DEA.28.3 SUBPROGRAM SUMMARY  
**UNEMPLOYMENT INSURANCE**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 23-601 to 23-799

**Subprogram Mission:**

*To collect taxes from covered employers and to pay benefits to eligible unemployed workers.*

**Subprogram Description:**

The program provides unemployment insurance benefits to eligible individuals based on their past earnings and systematically collects payroll taxes from subject employers to fund the payment of those benefits.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	8.8	85.0	85.0
Other Non Appropriated Fund	525,901.1	525,000.0	525,000.0
Federal Funds	1,530.8	2,400.0	2,400.0
Subprogram Total	527,440.7	527,485.0	527,485.0
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the degree of timeliness in paying Unemployment InsuranceI benefits.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of Unemployment Insurance benefits paid within 14 days of first compensable week ending date.	92.3	90.4	93.0	93.0

- ◆ Goal 2 - To ensure sufficient funds are available to meet Unemployment InsuranceI payment needs.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Days to deposit 90 percent of taxes collected.	1	1	1	1

DEA.29 PROGRAM SUMMARY  
**WORKFORCE DEVELOPMENT ADMINISTRATION**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 41-1954(A)(1)(a);PL 102-367

**Program Mission:**

*To provide leadership and support to programs that prepare eligible individuals for long-term employment and self-sufficiency.*

**Program Description:**

The Workforce Development Administration (WDA) is the state 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 fifteen (15) Local Workforce Investment Areas (LWIAs), as well as a state-administered program. The LWIAs administer the programs for adults, dislocated workers, and economically disadvantaged youth. The state-administered program serves dislocated workers through emergency services following permanent business closures, mass layoffs, and natural or other disasters.

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**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,000.0	1,000.0	1,000.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	44,230.9	46,004.7	46,004.7
<b>Program Total</b>	<b>45,230.9</b>	<b>47,004.7</b>	<b>47,004.7</b>
FTE Positions	32.8	33.0	33.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To improve the workforce development system.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Performance Standards met or exceeded by Local Workforce Investment Areas.	93	N/A	100	100

Seventeen (17) performance measures are specified under Title IB of Workforce Investment Act. All 17 LWIAs met or exceeded the two measures analogous to Customer Satisfaction. Workforce Development Administration performance measures are reported using the Workforce Investment Act Program Year vs. the State Fiscal Year (e.g., Workforce Investment Act Program Year 2002 = State Fiscal Year 2003). Final performance results for Workforce Investment Act PY 2002/FY 2003 are not available until June 2004.

◆ Goal 2 - To increase productivity of service provider staff through enhanced staff knowledge and experience.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent customer satisfaction rating.  This survey process is distinct from the customer satisfaction surveys required as part of WIA regulatory provisions.	78	87	89	90
● Technical Assistance Seminars provided to Local Workforce Investment Areas on managing performance.	2	6	4	4

◆ Goal 3 - To meet or exceed the statewide average for the 15 federal core performance standards for the LWIAs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Statewide average number of met or exceeded federal performance standards (FY 2000 represents JTPA performance standards).	14	N/A	15	15

Workforce Development Administration performance measures are reported using the Workforce Investment Act Program Year vs. the State Fiscal Year (e.g., Workforce Investment Act Program Year 2002 = State Fiscal Year 2003). Final performance results for Workforce Investment Act PY 2002/FY 2003 are not available until June 2004.

◆ Goal 4 - To meet or exceed WIA Customer Satisfaction indicators related to employers and program participants, as determined by the American Customer Satisfaction Index (ACSI).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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● Employer Customer Satisfaction Inde (ACSI was developed by the National Quality Research Center to provide useful information on quality to complement present measures of the U.S. economy. ACSI is a federally mandated instrument which must be used to capture customer satisfaction information under WIA.).	73	N/A	77	78
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Workforce Development Administration performance measures are reported using the Workforce Investment Act Program Year vs. the State Fiscal Year (e.g., Workforce Investment Act Program Year 2002 = State Fiscal Year 2003). Final performance results for Workforce Investment Act PY 2002/FY 2003 are not available until June 2004.

● Program Participants Customer Satisfaction Index (ACSI was developed by the National Quality Research Center to provide useful information on quality to complement present measures of the U.S. economy. ACSI is a federally mandated instrument which must be used to capture customer satisfaction information under WIA.).	72	N/A	77	78
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Workforce Development Area performance measures are reported using the Workforce Investment Act Program Year vs. the State Fiscal Year (e.g., Workforce Investment Act Program Year 2002 = State Fiscal Year 2003). Final performance results for Workforce Investment Act PY 2002/FY 2003 are not available until June 2004.

DEA.30 PROGRAM SUMMARY  
**JOB OPPORTUNITIES AND BASIC SKILLS**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 46-138.01, TANF

**Program Mission:**

*To provide eligible individuals the opportunity to become economically independent through employment. We remove barriers by providing a variety of services that make a positive difference in their lives.*

**Program Description:**

The JOBS Administration provides comprehensive employment, education, and training services to individuals receiving Temporary Assistance for Needy Families (TANF) and Food Stamp benefits. The services provided include job readiness activities, unpaid work experience, job search, vocational training, basic education, GED preparation, life skills training, on-the-job-training, job development and placement, case management, and support services.

**This Program Contains the following Subprograms:**

- ▶ Jobs Administration
- ▶ Job Opportunities and Basic Skills
- ▶ Food Stamp Employment and Training

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

General Funds	3,227.5	30.0	13,830.0
Other Appropriated Funds	1,139.7	5,329.4	5,329.4
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	21,968.0	25,055.4	25,055.4
<b>Program Total</b>	<b>26,335.2</b>	<b>30,414.8</b>	<b>44,214.8</b>
FTE Positions	268.0	257.1	257.1

**Subprogram Mission:**

*To provide eligible individuals the opportunity to become economically independent through employment. We remove barriers by providing a variety of services that make a positive difference in their lives.*

**Subprogram Description:**

The JOBS subprogram provides opportunities such as assessment, education, training, employment, supportive services and case management to TANF recipients helping them to avoid long-term welfare dependence.

DEA.30.1 SUBPROGRAM SUMMARY  
**JOBS ADMINISTRATION**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 46-138.01, TANF

**Subprogram Mission:**

*To provide eligible individuals the opportunity to become economically independent through employment. We remove barriers by providing a variety of services that make a positive difference in their lives.*

**Subprogram Description:**

The JOBS Administration provides comprehensive employment, education, and training services to individuals receiving Temporary Assistance for Needy Families (TANF) and Food Stamp benefits. The services provided include job readiness activities, unpaid work experience, job search, vocational training, basic education GED preparation, life skills training, job development and placement, case management and support services.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,625.2	0.0	0.0
Other Appropriated Funds	0.0	2,035.9	2,035.9
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	4,459.1	5,086.6	5,086.6
<b>Subprogram Total</b>	<b>6,084.3</b>	<b>7,122.5</b>	<b>7,122.5</b>
FTE Positions	175.0	164.1	164.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number of public assistance recipients who obtain employment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Temporary Assistance to Needy Families and Food Stamp Employment and Training employment placements.	13,137	16,181	16,640	16,640

DEA.30.2 SUBPROGRAM SUMMARY  
**JOB OPPORTUNITIES AND BASIC SKILLS**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
Federal TANF Block Grant

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,576.1	0.0	13,800.0
Other Appropriated Funds	1,139.7	3,293.5	3,293.5
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	17,367.9	19,618.8	19,618.8
<b>Subprogram Total</b>	<b>20,083.7</b>	<b>22,912.3</b>	<b>36,712.3</b>
FTE Positions	93.0	93.0	93.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number of JOBS TANF individuals who obtain employment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Jobs Temporary Assistance to Needy Families employment placements.  This measure is being removed as the Administration is reporting combined employment placements for both the Jobs Administration and the AZ Works program.	12,849	12,969	N/A	N/A
● Average cost per job for Temporary Assistance to Needy Families (TANF) participant in all work activities (in dollars).  The average expenditure per client is an estimate of SFY 2003. The final average cannot be calculated until after June 30, 2004 when all payments for SFY 2003 have been made.	804	882	895	895
● Number of Temporary Assistance to Needy Families (TANF) employment placements.	16,065	15,879	16,330	16,330

DEA.30.3 SUBPROGRAM SUMMARY  
**FOOD STAMP EMPLOYMENT AND TRAINING**

Contact: Alcira Angulo, Supervisor  
Phone: (602) 542-0213  
A.R.S. § 46-138.01.A.4



**Subprogram Mission:**

*To transition Food Stamp recipients to employment that will lead to economic independence.*

**Subprogram Description:**

The subprogram provides short-term education, training, Unpaid Work Experience (UWE), and job search and also authorizes limited support services for mandatory Food Stamp recipients in the program.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	26.2	30.0	30.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	141.0	350.0	350.0
Subprogram Total	167.2	380.0	380.0
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To maintain the number of Food Stamp recipients who obtain employment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● FSE&T clients who obtained employment.	288	202	310	310

Varies based on impact of employment and other economic related factors (e.g., layoffs, hiring freezes, as well as actions related to reduction in workforce in government)



**AGENCY SUMMARY  
DEPARTMENT OF ENVIRONMENTAL QUALITY**

Steve Owens, Agency Director EVA  
 Contact: Patrick Cunningham, Deputy Director (602) 771-2204  
 A.R.S. § 49-101 et seq.

**Agency Mission:**

To protect and enhance public health and the environment in Arizona.

**Agency 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)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	17,835.4	16,535.1	16,751.9
➤ AIR QUALITY	41,690.1	53,941.8	53,941.8
➤ WASTE PROGRAMS	62,608.3	72,516.5	72,706.3
➤ WATER QUALITY	15,534.6	22,808.2	23,031.6
➤ WATER INFRASTRUCTURE FINANCE AUTHORITY	103,318.5	120,965.0	120,965.0
Agency Total	<u>240,986.9</u>	<u>286,766.6</u>	<u>287,396.6</u>

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	22,728.6	22,844.7	23,474.7
Other Appropriated Funds	53,843.2	65,377.0	65,377.0
Other Non-Appropriated Fund	149,250.0	177,840.0	177,840.0
Federal Funds	15,165.1	20,704.9	20,704.9
Agency Operating Funds Total	<u>240,986.9</u>	<u>286,766.6</u>	<u>287,396.6</u>
FTE Positions	<u>884.3</u>	<u>874.9</u>	<u>874.9</u>

**Strategic Issues**

**Strategic Issue Number: 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.

**Strategic Issue Number: 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.

**Strategic Issue Number: 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.

**Strategic Issue Number: 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 PROGRAM SUMMARY  
ADMINISTRATION**

Contact: Steve Owens, Agency Director  
 Phone: (602) 771-2204  
 A.R.S. § 49-101 - 49-1106

**Program 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.*

**Program Description:**

This program establishes overall agency policies and direction and manages administrative and business activities of the Agency.

**This Program Contains the following Subprograms:**

- ▶ Executive Management
- ▶ Administrative Program Management
- ▶ Financial Services
- ▶ Information Technology
- ▶ Procurement and Contract Management
- ▶ Human Resources
- ▶ Admin. Counsel & Government/Legis. Relations
- ▶ Budget and Strategic Management
- ▶ Communications
- ▶ General Services

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

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General Funds	4,322.2	4,185.1	4,401.9
Other Appropriated Funds	13,164.0	11,667.0	11,667.0
Other Non-Appropriated Fund	14.0	22.4	22.4
Federal Funds	335.2	660.6	660.6
<b>Program Total</b>	<b>17,835.4</b>	<b>16,535.1</b>	<b>16,751.9</b>
FTE Positions	168.1	166.1	166.1

EVA.1.1 SUBPROGRAM SUMMARY  
**EXECUTIVE MANAGEMENT**

Contact: Steve Owens, Agency Director  
Phone: (602) 771-2204  
A.R.S. § 49-101 - 49-110

**Subprogram Mission:**

*To provide leadership, set policy, promote efficiency and ensure coordination among the environmental programs that protect public health and the environment in Arizona. To develop and implement public policy that protects and enhances Arizona's air, soil and water quality.*

**Subprogram Description:**

The Executive Management subprogram is responsible for establishing overall agency policies and directions that are consistent with the Governor's statewide policies and directions for protecting the environment and improving the quality of life for the people of our state. This subprogram includes activities relating to: intergovernmental affairs and outreach; communications with the legislature, the Governor's office, media, stakeholders, and employees; regulation, enforcement and adjudication of environmental laws; employee programs; professional development of agency staff; and children's environmental health issues.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,324.1	1,229.8	1,293.4
Other Appropriated Funds	225.6	199.8	199.8
Other Non Appropriated Fund	4.0	7.7	7.7
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,553.7</b>	<b>1,437.3</b>	<b>1,500.9</b>
FTE Positions	9.3	9.1	9.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To enhance relationships with the public, regulated community and agency partners

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of statutorily set permit timelines met through License Time Frames rule.	99.0	99.7	99.0	99.0

- ◆ Goal 2 - To provide value to all of Arizona

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of ADEQ employees indicating agreement with a statement of overall job satisfaction (measure calculated per annual survey administered by Governor's office).	58.0	59.0	60.0	65.0
● Customer satisfaction rating for citizens (Avg. 4.6 on a scale 1-5)(Avg. 7.4 on a scale 1-8).	N/A	6.6	7.4	6.0
● Administration as a percentage of total cost.	4.0	3.8	12.6	12.6
(Note: The FY02-03 actuals for administrative cost includes WIFA and Vehicle Emissions Inspection contractor fees as part of total agency costs in each year.)				
● Percent of citizens expressing overall satisfaction with ADEQ services.	89.9	91.4	92.5	90.0

- ◆ Goal 3 - To provide leadership on children's environmental health

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Develop and issue a formal policy to integrate children's environmental health issues into ADEQ program and develop an action plan by June 30, 2004.	N/R	N/R	100.0	N/R
● Continue to implement the action plan to integrate children's environmental health issues into ADEQ programs by June 30, 2005.	N/R	N/R	N/R	100.0

EVA.1.2 SUBPROGRAM SUMMARY  
**ADMINISTRATIVE PROGRAM MANAGEMENT**

Contact: Robert Rocha, Administrative Services Division  
Director  
Phone: (602) 771-4867  
A.R.S. § 49-101 - 49-110

**Subprogram Mission:**

To provide efficient and effective administration and services in support of the Department's mission, programs and personnel.

**Subprogram Description:**

Administrative Program Management consists of activities relating to: budgeting, strategic planning, accounting and financial services, human resources, information technology, state assurance fund and general services to support the Department's mission, programs, personnel, and external customers.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	187.7	170.7	179.5
Other Appropriated Funds	582.3	516.1	516.1
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>770.0</b>	<b>686.8</b>	<b>695.6</b>
FTE Positions	6.0	5.9	5.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide value to all of Arizona

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of citizens expressing overall satisfaction with Administrative Program Services.	N/A	88.6	92.5	90.0
● By June 30, 2005, implement efficiencies resulting from Executive Order 2003-14 and the Governor's Efficiency Review Initiative Study.	N/R	N/R	100.0	100.0

EVA.1.3      **SUBPROGRAM SUMMARY**  
**FINANCIAL SERVICES**

Contact: Robert Rocha, Administrative Services Division  
 Director

Phone: (602) 771-4867

A.R.S. § 49-104, 49-113, 49-1072 thru 1079, et al.

**Subprogram Mission:**

To provide accurate and timely financial analysis, accounting, procurement, and business services in support of the Department's mission, programs, personnel and external customers. To provide timely and cost-effective payment of state assurance fund applications (direct payments and reimbursements) in support of the Department's mission, programs, personnel and external customers.

**Subprogram Description:**

The Financial Services Office program is comprised of payroll, auditing, financial analysis, business, accounting, contracts, procurement and financial services. It also includes management of the State Assurance Fund, although organizationally this is a separate Section reporting to the Administrative Services Division Director. The State Assurance Fund services consists of application, technical, and cost review processes.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	883.5	804.2	846.2
Other Appropriated Funds	4,346.2	3,852.0	3,852.0
Other Non Appropriated Fund	10.0	14.7	14.7
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>5,239.7</b>	<b>4,670.9</b>	<b>4,712.9</b>
FTE Positions	44.0	43.5	43.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide value to all of Arizona

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of eligibility issues regarding State Assurance Fund (SAF) applications verified within 30 days of receipt of the SAF application. Statutory requirement in accordance with A.R.S. § 49-1017.01.	100.0	100.0	100.0	100.0
● Percentage of annual administrative costs in the State Assurance Fund (SAF) in accordance with A.R.S. § 49-1051. NOTE: Actuals are the 13th month AFIS.	21.0	20.4	21.0	21.0
● Percentage of SAF direct payable and preapproval applications processed within 90 days of receipt.	N/A	N/A	95.0	95.0
● Percentage of invoice payables paid within thirty (30) calendar days.	94.0	94.9	95.0	95.0

EVA.1.4      **SUBPROGRAM SUMMARY**  
**INFORMATION TECHNOLOGY**

Contact: Robert Rocha, Administrative Services Division  
 Director

Phone: (602) 771-4867

A.R.S. § 49-104

**Subprogram Mission:**

To provide effective and efficient information technology infrastructure and integrated systems in support of the Department's mission, programs, personnel and external customers.

**Subprogram Description:**

The Information Technology program is comprised of information systems development, technical support, planning, standards and security.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	835.7	863.4	908.1
Other Appropriated Funds	2,960.7	2,624.0	2,624.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	333.2	658.2	658.2
<b>Subprogram Total</b>	<b>4,129.6</b>	<b>4,145.6</b>	<b>4,190.3</b>
FTE Positions	44.0	43.5	43.5

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide value to all of Arizona

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● By June 30, 2004, develop and implement an action plan for expanding and implementing "E-government" opportunities.	N/R	N/R	100.0	N/R
● During FY 2005, continue to implement action plan to expand "E-government" opportunities.	N/R	N/R	N/R	100.0

EVA.1.5 SUBPROGRAM SUMMARY  
**PROCUREMENT AND CONTRACT MANAGEMENT**

Contact: Robert Rocha, Administrative Services Division  
Director

Phone: (602) 771-4867

A.R.S. § 49-104, 41-2501 et esq., 41-1081, et al.

**Subprogram Mission:**

To be included in Financial Services.

**Subprogram Description:**

(included in Financial Services)

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	228.9	235.5	247.6
Other Appropriated Funds	336.5	298.2	298.2
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	2.0	2.4	2.4
<b>Subprogram Total</b>	<b>567.4</b>	<b>536.1</b>	<b>548.2</b>
FTE Positions	7.1	7.0	7.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide value to all of Arizona

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of customers agreeing that services meet or exceed their expectations based upon a customer satisfaction survey attached to every Purchase Order.	95.0	93.3	92.5	N/R

EVA.1.6 SUBPROGRAM SUMMARY  
**HUMAN RESOURCES**

Contact: Robert Rocha, Administrative Services Division  
Director

Phone: (602) 771-4867

A.R.S. § 38-101 - 38-921, 49-104

**Subprogram Mission:**

To provide quality, timely and comprehensive personnel management assistance in support of the Department's mission, programs, personnel and external customers.

**Subprogram Description:**

Human Resources consists of employment, classification, compensation and benefits, employee relations, affirmative action, training and safety programs.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	183.8	189.9	199.7
Other Appropriated Funds	259.7	230.2	230.2
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>443.5</b>	<b>420.1</b>	<b>429.9</b>
FTE Positions	9.0	8.9	8.9

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide value to all of Arizona

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of agency staff turnover.	11.7	8.6	11.7	11.7

This measure will be compared with state overall turnover percentages.

EVA.1.7 SUBPROGRAM SUMMARY  
**ADMIN. COUNSEL & GOVERNMENT/LEGIS. RELATIONS**

Contact: Patrick Cunningham, Deputy Director

Phone: (602) 771-2204

A.R.S. § 49, 46.6

**Subprogram Mission:**

To ensure that the Agency's regulatory, enforcement, adjudicative and administrative functions are carried out in a manner that is based on sound legal principles that are fair, consistent, and timely.

**Subprogram Description:**

This subprogram includes activities relating to the Agency's legislative, regulatory, enforcement, administrative hearings and administrative regulation responsibilities. It also coordinates the Agency's rule-making, licensing time frame and internal audit activities. The government and legislative offices are responsible for representing the Department at the Arizona State Legislature and coordinating activities with various governmental agencies and stakeholder groups.

**Subprogram Mission:**

To facilitate the effective and efficient allocation of resources in accordance with fiscally sound budgeting and strategic management principles, and statutory guidelines to support the Department's mission, programs, personnel and external customers.

**Subprogram Description:**

The Budget and Strategic Management Section is comprised of budgeting and strategic planning activities.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
FTE Positions	10.0	9.9	9.9

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	293.2	299.7	315.2
Other Appropriated Funds	163.5	144.9	144.9
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>456.7</b>	<b>444.6</b>	<b>460.1</b>
FTE Positions	14.0	13.9	13.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide value to all of Arizona

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● 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	100.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide value to all of Arizona

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of notice of administrative hearing issued within 3 working days of receiving all necessary documentation.	100.0	100.0	90.0	90.0

**EVA.1.8 SUBPROGRAM SUMMARY  
BUDGET AND STRATEGIC MANAGEMENT**

Contact: Robert Rocha, Administrative Services Division Director  
Phone: (602) 207-4867  
A.R.S. § 49-101 - 49-1106

**EVA.1.9 SUBPROGRAM SUMMARY  
COMMUNICATIONS**

Contact: Patrick Cunningham, Deputy Director  
Phone: (602) 207-2204  
A.R.S. § 49-101 - 49-105, 49-456

**Subprogram Mission:**

To provide timely, accurate and useful information about ADEQ's programs, policies and operations to Arizona residents, our employees and the regulated community so as to promote better understanding of the environmental issues and to provide increased opportunities for public participation.

**Subprogram Description:**

The subprogram is responsible for coordinating and implementing multimedia communications in support of ADEQ's mission, strategic plan and environmental program goals. The subprogram coordinates the agency's effort to create a more efficient, service-oriented Web site and works with ADEQ program staff to produce clear, timely and accurate print and electronic public information tools for use by internal and external customers.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	274.9	277.8	292.2
Other Appropriated Funds	226.4	200.7	200.7
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>501.3</b>	<b>478.5</b>	<b>492.9</b>
FTE Positions	6.7	6.6	6.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide value to all of Arizona

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Redesign the ADEQ Web site so that it achieves within six months of implementation at least an 80 percent customer satisfaction rate, as measured through online survey.	N/R	N/R	80.0	80.0

**Subprogram Mission:**

To provide timely, cost effective, and quality services in support of the Department's mission, programs, personnel and external customers.

**Subprogram Description:**

General Services consists of facilities and security management; fixed assets management; copy, mail room and central supply receiving and distribution; records management; fleet coordination; tenant services; and lab QA/QC.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	110.4	114.1	120.0
Other Appropriated Funds	4,063.1	3,601.1	3,601.1
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>4,173.5</b>	<b>3,715.2</b>	<b>3,721.1</b>
FTE Positions	18.0	17.8	17.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide value to all of Arizona

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● By June 30, 2004, implement fleet and building management efficiencies resulting from Executive Order 2003-14 and the Governor's Efficiency Review Initiative Study.	N/R	N/R	100.0	N/R
● During FY 2005, continue to implement management approved efficiencies resulting from the Governor's efficiency reviews.	N/R	N/R	N/R	100.0

EVA.1.10 SUBPROGRAM SUMMARY  
**GENERAL SERVICES**

Contact: Robert Rocha, Administrative Services Division Director  
Phone: (602) 207-4867  
A.R.S. § 49-104

EVA.2 PROGRAM SUMMARY  
**AIR QUALITY**

Contact: Nancy C. Wrona, Air Quality Division Director  
Phone: (602) 771-2308  
A.R.S. § 49-401 - 49-593

**Program Mission:**

To protect and enhance public health and welfare and the environment by controlling present and future sources of air pollution.

**Program 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 Program Management
- ▶ Air Pollution Emission Control
- ▶ Air Quality Management and Analysis

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	190.3	0.0	0.0
Other Appropriated Funds	36,169.9	45,738.7	45,738.7
Other Non-Appropriated Fund	1,023.8	4,094.9	4,094.9
Federal Funds	4,306.1	4,108.2	4,108.2
<b>Program Total</b>	<b>41,690.1</b>	<b>53,941.8</b>	<b>53,941.8</b>
FTE Positions	170.0	168.2	168.2

EVA.2.1 SUBPROGRAM SUMMARY  
**AIR QUALITY PROGRAM MANAGEMENT**

Contact: Nancy C. Wrona, Air Quality Division Director  
Phone: (602) 771-2308  
A.R.S. § 49-401 - 49-593

**Subprogram Mission:**

*To provide leadership, management, support, and direction for all air programs for efficient delivery of services.*

**Subprogram 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	127.2	0.0	0.0
Other Appropriated Funds	3,310.5	3,935.2	3,935.2
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	720.6	687.5	687.5
<b>Subprogram Total</b>	<b>4,158.3</b>	<b>4,622.7</b>	<b>4,622.7</b>
FTE Positions	53.0	52.4	52.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide value to all of Arizona

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of customers satisfied with Air Quality Programs.	N/A	87.8	92.5	90.0

EVA.2.2 SUBPROGRAM SUMMARY  
**AIR POLLUTION EMISSION CONTROL**

Contact: Nancy C. Wrona, Air Quality Division Director  
Phone: (602) 771-2308  
A.R.S. § 49-401 - 49-593

**Subprogram 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.*

**Subprogram Description:**

Compliance activities performed by the AQD ensure that facilities remain in compliance with all statutes, rules, and permit conditions; and, 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. The Vehicle Emissions Inspection section has implemented an enhanced and basic vehicular inspection and maintenance program; and, they operate a remote sensing program to control mobile source emissions. Inspection and enforcement activities, as well as review of compliance documents and the development of mutually acceptable compliance schedules with non-complying sources, are performed to meet EPA requirements to maintain a compliance assurance program for existing delegated federal programs.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	57.7	0.0	0.0
Other Appropriated Funds	29,812.0	37,831.7	37,831.7
Other Non Appropriated Fund	1,023.8	4,094.9	4,094.9
Federal Funds	202.4	193.0	193.0
<b>Subprogram Total</b>	<b>31,095.9</b>	<b>42,119.6</b>	<b>42,119.6</b>
FTE Positions	72.7	72.0	72.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of Arizona's air, land and water

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of vehicles that have failed inspection and later brought into compliance (in thousands).	166.0	163.0	166.0	N/R
This measure to be replaced in FY 05, with comparable measure. (Goal is to progressively reduce the number failing inspections)				
● Identify 150,000 high emitting vehicles and bring them into compliance with vehicle standards.	N/A	N/A	100.0	100.0

- ◆ Goal 2 - To enhance relationships with the public, regulated community and agency partners

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Annual (FY) number of sectors (not individual permits) completed for final action on Title V unitary air quality permits.	5	0	1	1

EVA.2.3 SUBPROGRAM SUMMARY  
**AIR QUALITY MANAGEMENT AND ANALYSIS**

Contact: Nancy C. Wrona, Air Quality Division Director  
Phone: (602) 771-2308  
A.R.S. § 49-401 - 49-593



**Subprogram 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.*

**Subprogram Description:**

The Arizona Department of Environmental Quality is required by statute to maintain and develop statewide air pollution control programs, including the State Implementation Plan (SIP) and development of emission management rules. The program is designed to catalog and track revision to the SIP developed by both Agency and local jurisdictions; adopt and keep current with numerous federal emission management rules; and to implement state emissions management statutes.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	5.4	0.0	0.0
Other Appropriated Funds	3,047.4	3,971.8	3,971.8
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	3,383.1	3,227.7	3,227.7
<b>Subprogram Total</b>	<b>6,435.9</b>	<b>7,199.5</b>	<b>7,199.5</b>
FTE Positions	44.3	43.8	43.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of Arizona's air, land and water

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Annual (FY) number of State Implementation Plans (SIP) (new or revisions) submitted to the Environmental Protection Agency (EPA).	7.0	0.0	2.0	2.0
● Days of the calendar year in which the National Ambient Air Quality Standards (NAAQS) for Ozone (O3), Carbon Monoxide (CO), or Particulate Matter (PM10), are not exceeded in Arizona (Governor's Quality of Life measure).	365.0	365.0	366.0	N/R
JLBC measure is the inverse of this measure: Number of days per year exceeding National Ambient Air Quality Standards (NAAQS) for Ozone (O3), Carbon Monoxide (CO), or Particulates (PM10). This measure is an indicator of environmental conditions only. This measure will be replaced in FY 05.				
● Achieve 90 percent air quality sample data recovery.	90.0	96.6	90.0	90.0

EVA.3                      **PROGRAM SUMMARY**  
**WASTE PROGRAMS**

Contact: Shannon Davis, Waste Programs Division Director  
 Phone: (602) 771-4209  
 A.R.S. § 49-701 - 49-1071

**Program Mission:**

*To protect and enhance public health and the environment by reducing the risk associated with waste management, regulated substances and contaminated sites.*

**Program Description:**

The Waste Programs carries out its mission through the regulation of solid and hazardous waste treatment, storage and disposal facilities, hazardous waste generators, and underground storage tanks. The program issues permits; conducts inspections; approves closure activities; oversees remediation of contamination; and encourages recycling, reuse, and other forms of pollution prevention.

**This Program Contains the following Subprograms:**

- ▶ Waste Programs Management
- ▶ Solid Waste
- ▶ Hazardous Waste
- ▶ Underground Storage Tanks
- ▶ Superfund
- ▶ Voluntary Remediation and Prevention

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	11,193.0	11,154.6	11,344.4
Other Appropriated Funds	2,909.1	4,236.5	4,236.5
Other Non-Appropriated Fund	44,144.2	51,926.9	51,926.9
Federal Funds	4,362.0	5,198.5	5,198.5
<b>Program Total</b>	<b>62,608.3</b>	<b>72,516.5</b>	<b>72,706.3</b>
FTE Positions	322.7	319.3	319.3

EVA.3.1                      **SUBPROGRAM SUMMARY**  
**WASTE PROGRAMS MANAGEMENT**

Contact: Shannon Davis, Waste Programs Division Director  
 Phone: (602) 771-4209  
 A.R.S. § 49-701 - 49-1092

**Subprogram 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; by ensuring cleanup of contamination where it has occurred and by responding to customer needs in a timely manner.*

**Subprogram 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.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	256.8	242.1	254.6
Other Appropriated Funds	177.5	243.7	243.7
Other Non Appropriated Fund	2,414.6	2,774.6	2,774.6
Federal Funds	1,129.3	1,313.0	1,313.0
<b>Subprogram Total</b>	<b>3,978.2</b>	<b>4,573.4</b>	<b>4,585.9</b>
FTE Positions	57.0	56.4	56.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of Arizona's air, land and water

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	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). (To be deleted in FY 05)	71.5	72.6	78.0	N/R
● Reduce the number or severity of contaminated sites in the Waste Program by achieving cleanup and closure of currently contaminated sites. (Annual FY number of LOCs, ERAs, and NFAs issued).	236.0	227.0	188.0	137.0

- ◆ Goal 2 - To provide value to all of Arizona

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of customers satisfied with Waste Programs Division.	N/A	87.6	92.5	92.5

EVA.3.2                      SUBPROGRAM SUMMARY  
**SOLID WASTE**

Contact: Shannon Davis, Waste Programs Division Director  
Phone: (602) 771-4209  
A.R.S. § 49-701 - 49-881

**Subprogram Mission:**

*To effectively monitor and administer the laws and regulations for the storage, treatment, and disposal of solid waste; to effectively advocate that the amount of solid wastes generated be reduced; and to encourage solid wastes to be reused and recycled in lieu of disposal.*

**Subprogram Description:**

This subprogram maintains an inventory of all solid waste storage, treatment and disposal facilities operating in Arizona. The program reviews and approves design and operation plans for landfills and special waste facilities, and issues other licenses and permits to other solid waste facilities. The facilities are periodically inspected and compliance data are maintained for each facility. Compliance assistance is made available to any regulated person, and timely and appropriate enforcement actions are pursued for significant noncompliance, including the remediation of contaminated sites. Finally, the program engages in advocacy for solid waste reduction, reuse, and recycling and provides grant monies to selected demonstration projects.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	410.2	400.2	551.0
Other Appropriated Funds	2,263.7	3,275.2	3,275.2
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,673.9</b>	<b>3,675.4</b>	<b>3,826.2</b>
FTE Positions	41.8	41.4	41.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of Arizona's air, land and water

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of solid waste facilities (cumulative) brought into compliance within 120 days of receiving a notice of violation (NOV) or which are recipients of an escalated enforcement action within 120 days of receiving a NOV if compliance is not achieved.	80.3	47.8	90.0	90.0

EVA.3.3                      SUBPROGRAM SUMMARY  
**HAZARDOUS WASTE**

Contact: Shannon Davis, Waste Programs Division Director  
Phone: (602) 771-4209  
A.R.S. § 49-108, 49-901 to 49-973

**Subprogram Mission:**

To effectively monitor and administer laws and regulations for the generation, treatment, storage, and disposal of hazardous wastes and hazardous materials.

**Subprogram Description:**

The subprogram implements both the State and Federal hazardous waste laws pursuant to delegation from U.S. Environmental Protection Agency (EPA). The program maintains an inventory of hazardous waste generators, as well as treatment storage and disposal (TSD) facilities in Arizona. Permits are issued to TSD facilities. Generators and TSD facilities are periodically inspected. Compliance data is collected and stored. Compliance assistance is made available to any regulated person, and enforcement actions are pursued against significant violators, including the remediation of contaminated sites. Finally, the program is responsible for undertaking multimedia environmental emergency responses.

**Subprogram Mission:**

To minimize leaks from USTs through a program of registration, periodic inspections, compliance/enforcement, and customer assistance; to manage and ensure security of UST program hard and electronic files for the benefit of customers; and to provide UST outreach to the public. To protect human health and the environment by ensuring the clean up of contamination caused by leaking underground storage tanks (LUSTs) and by providing public education and financial assistance.

**Subprogram Description:**

The subprogram registers all USTs, subject to statutory requirements, in the state of Arizona and maintains an inventory of these tanks. This program is also responsible for maintaining accurate data on the location and compliance status of all Arizona USTs. The program ensures compliance with all applicable federal and state installation, operational, and closure requirements. Periodic inspections are conducted to ensure continued compliance with state and federal operational requirements. Where operators fail to meet these requirements, the program is authorized to pursue civil or administrative enforcement to achieve compliance. Owners and operators of new and existing USTs are provided compliance assistance through newsletters, conferences, Internet web-site information, training and individual assistance. Financial Services assists the subprogram with UST financial programs review and administration of UST payments, to include State Assurance Fund, UST Grant, fees, taxes, refunds and exemptions. The subprogram is responsible for tracking releases from USTs and ensuring that each LUST site is adequately investigated and remediated. This is accomplished by publishing technical guidance, enforcement, state lead actions, and promoting LUST cleanup actions through expeditious and efficient processing of applications for financial assistance.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	444.1	440.6	463.4
Other Appropriated Funds	467.9	695.6	695.6
Other Non Appropriated Fund	189.8	277.2	277.2
Federal Funds	1,173.4	1,406.9	1,406.9
Subprogram Total	2,275.2	2,820.3	2,843.1
FTE Positions	42.5	42.0	42.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To enhance relationships with the public, regulated community and agency partners

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Make final decisions on All Treatment Storage and Disposal (TSD) permit applications by June 30, 2005 (Current inventory = 6).	0.0	0.0	2.0	4.0

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.2	0.0	0.0
Other Appropriated Funds	0.0	22.0	22.0
Other Non Appropriated Fund	22,698.7	30,809.9	30,809.9
Federal Funds	921.5	1,120.4	1,120.4
Subprogram Total	23,620.4	31,952.3	31,952.3
FTE Positions	111.1	110.0	110.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of Arizona's air, land and water

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Reduce the number of contaminated sites in the Waste Programs by issuing Letter of Closures for UST sites. (Annual number of LOCs).	205.0	208.0	180.0	130.0

EVA.3.4 SUBPROGRAM SUMMARY  
**UNDERGROUND STORAGE TANKS**

Contact: Shannon Davis, Waste Programs Division Director  
Phone: (602) 771-4209  
A.R.S. § 49-1001 - 49-1092

EVA.3.5 SUBPROGRAM SUMMARY  
**SUPERFUND**

Contact: Shannon Davis, Waste Programs Division Director  
Phone: (602) 771-4209  
A.R.S. § 49-281 - 49-296

**Subprogram Mission:**

To enhance the Arizona environment by responding to and controlling, mitigating, or eliminating all historic hazardous substance sites at a minimum impact to taxpayers and the public.

**Subprogram Description:**

The Superfund subprogram is responsible for the identification, assessment, and remediation of sites that are contaminated with hazardous substances. The programs and services provided to the public and private sectors include evaluation of potentially contaminated sites; review, approval, and oversight of privately funded clean up activities; investigation and remediation of sites using state funds; identification of responsible parties; settlements with potentially responsible parties and recovery of state funds through development of evidence and scientific data needed for cost recovery and settlement actions by the Attorney General's Office; providing 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; and community involvement through community advisory boards.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	10,000.0	10,000.0	10,000.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	17,924.8	16,925.1	16,925.1
Federal Funds	713.7	842.6	842.6
<b>Subprogram Total</b>	<b>28,638.5</b>	<b>27,767.7</b>	<b>27,767.7</b>
FTE Positions	54.7	54.1	54.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of Arizona's air, land and water

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Reduce the number of contaminated sites in the Waste Programs by issuing early response actions (ERAs) at Water Quality Assurance Revolving Fund (WQARF) sites (Annual number of ERAs).	2.0	3.0	2.0	1.0

EVA.3.6 SUBPROGRAM SUMMARY  
**VOLUNTARY REMEDIATION AND PREVENTION**

Contact: Shannon Davis, Waste Programs Division Director  
 Phone: (602) 771-4209  
 A.R.S. § 49-104.A17, B17, 153, 157, 282, 961, & 973

**Subprogram Mission:**

To oversee and expedite voluntary remediation activities, promote and encourage opportunities for pollution prevention, and ensure the effective delivery of Division services.

**Subprogram Description:**

The program assists, oversees, and expedites voluntary remediation of contaminated sites, including the state's Greenfields and Brownfields initiatives. The program also reviews and approves pollution prevention plans and reports required by state law. In addition, the program promotes pollution prevention opportunities in both the private and public sectors. Finally, this subprogram provides support for Waste Program recruitment, training, resolution of cross programmatic issues, data management, and strategic planning and budgeting. (This subprogram is now a combination of 2 subprograms formerly known as the Voluntary Remediation and Pollution Prevention Subprogram).

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	81.7	71.7	75.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	916.3	1,140.1	1,140.1
Federal Funds	424.1	515.6	515.6
<b>Subprogram Total</b>	<b>1,422.1</b>	<b>1,727.4</b>	<b>1,731.1</b>
FTE Positions	15.6	15.4	15.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of Arizona's air, land and water

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Reduce the number of contaminated sites in the Waste Programs by issuing No Further Action letters at Voluntary Remediation Sites (Annual number of NFAs).	N/A	N/A	6.0	6.0

EVA.4 PROGRAM SUMMARY  
**WATER QUALITY**

Contact: Karen Smith, Water Quality Division Director  
 Phone: (602) 771-2306  
 A.R.S. § 49-201 - 49-391

**Program 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.

**Program 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:**

- ▶ Water Quality Program Management
- ▶ Safe Drinking Water
- ▶ Water Quality Assessment and Management
- ▶ Point Source
- ▶ Nonpoint Source

EVA.4.2 SUBPROGRAM SUMMARY  
**SAFE DRINKING WATER**

Contact: Karen Smith, Water Quality Division Director  
 Phone: (602) 771-2306  
 A.R.S. § 49-351 - 49-360

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	5,051.8	5,059.9	5,283.3
Other Appropriated Funds	1,600.2	3,734.8	3,734.8
Other Non-Appropriated Fund	2,794.2	3,275.9	3,275.9
Federal Funds	6,088.4	10,737.6	10,737.6
<b>Program Total</b>	<b>15,534.6</b>	<b>22,808.2</b>	<b>23,031.6</b>
FTE Positions	207.5	205.3	205.3

**Subprogram 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.*

**Subprogram Description:**

The Drinking Water program is federally mandated to ensure safe drinking water supplies for the public. The program regulates public water systems. Program staff review water system construction plans, inspect water systems for conformance with plans and operation/maintenance requirements, receive and review water quality monitoring data, certify water system operators, initiate enforcement actions, and conduct outreach and program development. The monitoring and assessment program 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 (MAP).

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,201.0	1,233.9	1,297.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,666.3	2,052.1	2,052.1
Federal Funds	870.6	1,236.2	1,236.2
<b>Subprogram Total</b>	<b>3,737.9</b>	<b>4,522.2</b>	<b>4,586.0</b>
FTE Positions	47.7	47.2	47.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of Arizona's air, land and water
 

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Through 2005, Percentage of population serviced by community water systems providing drinking water with no health-based violations will remain at 95 percent.	96.0	97.0	95.0	95.0
- ◆ Goal 2 - To enhance relationships with the public, regulated community and agency partners
 

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
By 2005, 20 percent of community water systems(CWS) will initiate source water protection measures(SWP).	0.5	4.0	10.0	20.0

EVA.4.1 SUBPROGRAM SUMMARY  
**WATER QUALITY PROGRAM MANAGEMENT**

Contact: Karen Smith, Water Quality Division Director  
 Phone: (602) 771-2306  
 A.R.S. § 49-201 - 49-391

**Subprogram Mission:**

*To provide leadership, management, and support for all water quality programs for efficient and effective delivery of services.*

**Subprogram Description:**

Water Quality Program Management includes providing management and administrative services to the program; planning, controlling and monitoring expenditures of staff and budgetary resources; providing for staff training and employee evaluations; developing policies and procedures; providing input on legislative issues; overseeing the strategic plan and workplan implementation; evaluating program effectiveness; and overseeing delegation agreements with local jurisdictions.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	701.2	633.3	662.5
Other Appropriated Funds	78.0	182.0	182.0
Other Non Appropriated Fund	21.2	22.4	22.4
Federal Funds	361.2	480.9	480.9
<b>Subprogram Total</b>	<b>1,161.6</b>	<b>1,318.6</b>	<b>1,347.8</b>
FTE Positions	15.5	15.3	15.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide value to all of Arizona
 

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Percent of customers satisfied with Water Quality Division (Avg. 4.6 on a scale of 1-5).	89.0	89.1	92.5	90.0

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>By 2005, 50 percent of population served by CWS will receive their water from systems with SWP measures in place.</li> </ul>	2.0	20.0	30.0	50.0

**EVA.4.3 SUBPROGRAM SUMMARY**  
**WATER QUALITY ASSESSMENT AND MANAGEMENT**

Contact: Karen Smith, Water Quality Division Director  
 Phone: (602) 771-2306  
 A.R.S. § 49-202 - 49-205, 49-208, 49-221 to 49-225

**Subprogram Mission:**

*To monitor and assess water quality conditions, identify water pollution problems across the state, and establish water quality standards and management plans.*

**Subprogram Description:**

The Water Quality Assessment and Management program fulfills mandates for Water Quality Management (WQM) in cooperation with a variety of federal, state, local, and regional agencies. WQM includes regional planning, a coordinated process for strategic planning and federal grants, providing critical information on water quality conditions, and establishing water quality standards. The program uses a Total Maximum Daily Load (TMDL) process to address pollution problems within watersheds. The TMDL process includes identification of specific waters where problems exist or are expected and prioritization of problems and allocation of pollutant loadings among point and non-point sources. The program also provides technical assistance and supports an integrated watershed management approach and planning strategy for all water programs.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	627.2	641.8	675.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,046.4	1,146.7	1,146.7
Federal Funds	1,981.7	3,426.2	3,426.2
<b>Subprogram Total</b>	<b>3,655.3</b>	<b>5,214.7</b>	<b>5,247.9</b>
FTE Positions	41.6	41.2	41.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of Arizona's air, land and water

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>By 2005, 50 percent of assessed river miles/lake acres will support designated uses.</li> </ul>	N/A	N/A	50.0	50.0
<ul style="list-style-type: none"> <li>By 2005, 50 percent of assessed perennial river miles/lake acres will support fish consumption use.</li> </ul>	N/A	N/A	50.0	50.0

**EVA.4.4 SUBPROGRAM SUMMARY**  
**POINT SOURCE**

Contact: Karen Smith, Water Quality Division Director  
 Phone: (602) 771-2306  
 A.R.S. § 49-201 thru 49-391

**Subprogram 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.*

**Subprogram Description:**

The Point Source subprogram protects groundwater and surface water quality by controlling discharges from wastewater treatment plants, mining operations, industrial facilities, on-site sewage disposal systems, and drywells. ADEQ accomplishes this by (1) reviewing applications and issuing Aquifer Protection Permits, Wastewater Reuse Permits, and AZPDES permits; (2) reviewing applications and issuing (surface) Water Quality Certifications of U.S. Army Corps of Engineer's 404 permits for dredge and fill activities; (3) reviewing engineering design plans and construction of wastewater collection, treatment, and disposal facilities; and issuing approvals to construct, approvals of construction, and subdivision approvals; (4) conducting compliance, operation and maintenance, and inspections of all discharging facilities; (5) reviewing and analyzing self monitoring data and generating a list of significant noncompliant facilities; (6) conducting outreach and education activities to build awareness of these regulatory requirements; (7) offering technical and compliance assistance to facilities unsure of the available options to achieve compliance; and (8) conducting enforcement actions. Enforcement priorities are determined by the threat to public health and the environment, as well as the compliance history and recalcitrance of the facility owner or operator. All eight activities require program development through rulemaking, policies, and guidance.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,398.0	2,424.2	2,514.9
Other Appropriated Funds	1,522.2	3,552.8	3,552.8
Other Non Appropriated Fund	23.9	26.1	26.1
Federal Funds	1,001.6	1,338.4	1,338.4
<b>Subprogram Total</b>	<b>4,945.7</b>	<b>7,341.5</b>	<b>7,432.2</b>
FTE Positions	77.6	76.8	76.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of Arizona's air, land and water

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>By 2005, attain significant compliance rate of 90 percent among major dischargers as determined by monitoring data and physical inspection.</li> </ul>	N/A	N/A	Baseline	90.0
<ul style="list-style-type: none"> <li>By June 30, 2005, permit all existing surface water and groundwater discharges requiring a permit in 100 percent protection areas.</li> </ul>	N/A	N/A	75.0	100.0

◆ Goal 2 - To provide value to all of Arizona

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of permit actions remaining to be processed in the inventory for existing groundwater protection permit non-mining facilities in accordance with A.R.S. § 49-241.01 (Deadline Jan 1, 2004).	83.0	4.0	0.0	N/R
● Number of permit actions remaining to be processed in the inventory for existing groundwater protection permit mining facilities in accordance with A.R.S. § 49-241.01 (Deadline Jan 1, 2006).	45.0	37.0	30.0	12.0

**EVA.4.5 SUBPROGRAM SUMMARY**  
**NONPOINT SOURCE**

Contact: Karen Smith, Water Quality Division Director  
Phone: (602) 771-2306  
A.R.S. § 49-201 - 49-391

**Subprogram Mission:**

*To preserve, protect, and enhance water quality and public health for the citizens of Arizona by minimizing the impact of pollutants discharged to surface and ground waters from non-point sources.*

**Subprogram Description:**

Most of Arizona's water pollution is attributable to nonpoint sources. Nonpoint sources include discharges from irrigated agriculture, concentrated animal feeding operations, livestock grazing, silviculture, urban runoff, construction, mining, and recreation activities. ADEQ's Nonpoint Source program is comprised of the following five major elements: 1) creating and maintaining a network of cooperative agreements between ADEQ and federal, state, and tribal land management authorities (The agreements establish a series of "partnerships" to address nonpoint source discharges occurring on these lands); 2) organizing and staffing several watershed-based, citizen advisory groups to assist ADEQ in water quality planning and implementation of local improvements; 3) significantly investing in public outreach, nonpoint source pollution; 4) adopting best management practices to ensure that existing water quality degradation is reversed and future degradation is avoided; and 5) to the extent resources are available, providing funding to implement the best management practices needed to eliminate or mitigate the nonpoint source pollution.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	124.4	126.7	133.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	36.4	28.6	28.6
Federal Funds	1,873.3	4,255.9	4,255.9
<b>Subprogram Total</b>	<b>2,034.1</b>	<b>4,411.2</b>	<b>4,417.7</b>
FTE Positions	25.1	24.8	24.8

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To improve the quality of Arizona's air, land and water

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● By 2005, 30% of the state's watersheds will have TMDL restoration plans or watershed-based plans. ADEQ will estimate load reductions per watershed and monitor effectiveness of water quality improvement measures implemented.	5.0	10.0	20.0	30.0

**EVA.5 PROGRAM SUMMARY**  
**WATER INFRASTRUCTURE FINANCE AUTHORITY**

Contact: Jay Spector, Executive Director  
Phone: (602) 364-1310  
A.R.S. § 49-1201 - 49-1268

**Program Mission:**

*To maintain and protect water quality and to ensure the affordability of basic community infrastructure.*

**Program 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, wastewater, 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 Amounts:**

(\$ Thousands)

	FY 2002 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,971.3	2,445.1	2,445.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	101,273.8	118,519.9	118,519.9
Federal Funds	73.4	0.0	0.0
<b>Program Total</b>	<b>103,318.5</b>	<b>120,965.0</b>	<b>120,965.0</b>
FTE Positions	16.0	16.0	16.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To ensure WIFA's resources are awarded in conformance with Arizona's goals.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of recipients moving from non-compliance to compliance.	15.0	15.0	15.0	15.0

◆ Goal 2 - To maintain the fiscal integrity of the Funds administered by WIFA and ensure continuous enhancement for future generations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of total available funds invested.	99.3	99.5	99.5	99.5
● Interest income (in thousands).	3,818.1	7,261.1	7,261.1	7,261.1

◆ Goal 3 - To facilitate access to and efficiently deliver financial and technical assistance.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of weeks to process a loan.	7.0	7.0	6.0	5.0

◆ Goal 4 - To coordinate with other funding sources, technical resources, and regulatory authorities

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of co-financings.	3.0	3.0	5.0	6.0

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**AGENCY SUMMARY**  
**DEPARTMENT OF HEALTH SERVICES**

Catherine R. Eden, Director HSA  
Contact: Kim VanPelt, Strategic Planning (602) 542-1269  
Manager  
A.R.S. § 36-101 et seq.

**Agency Mission:**

To set the standard for personal and community health through direct care delivery, science, public policy and leadership.

**Agency Description:**

The Arizona Department of Health Services is responsible for public health, behavioral health (including the Arizona State Hospital), emergency medical services, the state laboratory, public health data and statistics, vital records, disease control, and the licensing and certification of health and child care facilities.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	16,568.8	22,227.1	23,184.8
➤ ASSURANCE AND LICENSURE SERVICES	10,674.6	12,694.1	12,634.1
➤ BEHAVIORAL HEALTH SERVICES	795,528.1	949,446.9	1,102,399.4
➤ ARIZONA STATE HOSPITAL	52,064.5	52,960.9	52,660.9
➤ PUBLIC HEALTH SERVICES	96,456.7	110,770.5	115,007.0
➤ COMMUNITY AND FAMILY HEALTH	195,481.9	212,998.9	213,835.1
Agency Total	<u>1,166,774.6</u>	<u>1,361,098.4</u>	<u>1,519,721.3</u>

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	298,509.3	317,300.1	402,069.6
Other Appropriated Funds	42,373.9	65,099.0	63,399.0
Other Non-Appropriated Fund	630,195.7	751,730.6	829,317.7
Federal Funds	195,695.7	226,968.7	224,935.0
Agency Operating Funds Total	<u>1,166,774.6</u>	<u>1,361,098.4</u>	<u>1,519,721.3</u>
FTE Positions	<u>2,177.1</u>	<u>2,202.5</u>	<u>2,198.7</u>

**Strategic Issues****Strategic Issue Number: 1**

*Reducing disease and disability by developing disease prevention strategies.*

The reduction of disease and disability is a primary strategic issue for the Department of Health Services. The Department is committed to working with health care providers at the local, county, state, and federal levels to place greater importance on prevention and health promotion activities. By providing leadership and coordinating community health initiatives with the services of health care providers, the Department can help focus efforts on such critical areas as tobacco use, physical activity, nutrition, and responsible sexual behavior. At the same time, the Department must continue to enhance those time-tested prevention practices embodied in immunizations, food safety, oral health, and services to mothers and children. Finally, intervention strategies are also needed for non-infectious

diseases such as asthma, diabetes, and cancer. The effective application of disease prevention strategies is heavily dependent on the quality of public health data and data analyses. Increased surveillance activities and laboratory capabilities are necessary for timely recognition and control of a variety of existing and emerging infectious diseases. The skills and resources needed to convert data from registries and vital records into information on which public health decisions can be based remain a high priority with the Department.

**Strategic Issue Number: 2**

*Increasing the intake of the B vitamin folic acid among women of childbearing age.*

Folic acid intake by women prior to and at the earliest stages of pregnancy has a profound effect on reducing the incidence of serious birth defects. Daily consumption of the B vitamin folic acid before and during pregnancy is critical since serious birth defects of the brain and spine known as neural tube defects (e.g. spina bifida) may be prevented by such vitamin intake. Indeed, the Centers for Disease Control and Prevention estimates that up to 70 percent of such defects can be prevented by taking 400 micrograms of folic acid during early pregnancy. Preventing neural tube defects is an important public health issue. On average, 70 children are born each year in Arizona with such birth defects. Such children face a lifetime of physical challenges and expensive medical treatment. Indeed, the annual medical care and surgical costs for persons with spina bifida in the United States exceeds \$200 million. The Department of Health Services has taken steps to educate women of childbearing age of the need to take the B vitamin folic acid and to provide such vitamins to women in need, but more needs to be done. A recent survey found that almost 70 percent of American women of childbearing age still fail to take the vitamin everyday. A survey of women served in the Department's folic acid program shows that vitamin costs continue to be a deterrent. The Department needs to take additional steps to educate women about the need for folic acid intake, and provide vitamins to women in need.

**Strategic Issue Number: 3**

*Reducing the rate of injury, the leading cause of preventable death and disability in Arizona and the nation.*

Though injury is a leading cause of preventable death and disability nationwide, Arizona exceeds the national injury death rate in virtually every category. The 1999 Kids Count ranked Arizona among the six worst states in accidents, homicides, and suicides. Injury is a primary reason for physician visits, and a major factor in the overcrowding of hospital emergency rooms. Seriously injured patients are often the most critical of those transported by ambulance, and least likely to respond to the array of therapeutic interventions provided by ambulance personnel. Self-inflicted injuries are a special concern. The State's Child Fatality Review Team cited prevention of teen suicide as a high priority because about as many teens die from suicide as from homicide. In addition, suicides among senior citizens are also a problem. Arizona's suicide rate for senior citizens consistently ranks among the worst five states in the nation. Decreasing the rate of injury is a critical public health priority. Patients who sustain disfiguring or disabling injuries, suicide survivors, and the victims of violent crime often require costly, intensive and long-term physical and psychological rehabilitative services. Arizona needs to drive policy formulation, implementation, and evaluation in this area.

**Strategic Issue Number: 4**

*Responding to emergencies that threaten the health of Arizona's residents.*

Over its history, the Department has played a critical role in responding to emergencies, including infectious disease epidemics, chemical spills, and fires. However, new and diverse threats, such as chemical, biological, and radiological terrorism, school-based and workplace violence, and crises in health care access (e.g. hospital and nursing home closures, HMO pullouts) provide new challenges to the Department of Health Services—the lead agency responsible for the health of Arizona residents—to rapidly and efficiently respond to health emergencies. The Department must have in place strong internal policies, protocols, and training programs relating to emergency preparedness. In addition, partnerships need to be strengthened with federal, county, and tribal health

agencies, emergency management agencies, community-based organizations, public safety agencies, the media, the military, behavioral health providers, emergency medical service providers, hospitals, and Arizona/Sonora border agencies, among many others. Advances in communication and information technology must be integrated into emergency preparedness efforts to facilitate early warning systems, rapid communication, mobilization, and coordinated response.

**Strategic Issue Number: 5**

*Promoting and protecting the health of Arizona's aging population.*

Arizona is experiencing an age shift. In the 2000 census, Arizona had the third highest increase (39 percent) in the nation for the population 65 and over. Within this population, the fastest growing segment is those 85 and older. In the next 20 years, an additional 500,000 older adults will populate the State, boosting the number of Arizona's seniors to over 1 million. While the older adult population is living longer, older adults are not necessarily living healthier lives. Chronic diseases and the often co-occurring behavioral health problems are the most prevalent yet preventable health problem in our State. The Department needs to focus on health promotion and prevention efforts in partnership with businesses and organizations that include, represent, and serve older adults, such as non-profits and health care providers. The Department needs to continue efforts to promote chronic disease screening and management, allowing older adults to obtain the necessary knowledge and skills to prevent or delay disability. Further, strategies are needed to address the unmet mental health care needs of older adults, particularly in the area of depression awareness and suicide prevention. These combined efforts can help lessen the impact of the aging population on our State's long-term care system while increasing the quality of life for older adults. The increased older adult population also means that the number of patients and residents in hospitals, in-patient hospices, nursing homes, and assisted living centers is growing. These persons in out-of-home placements are receiving higher levels of care in less intense settings than before. As a result, staff in these settings are required to meet the complex needs of their patients, including the needs of special populations. Individuals with traumatic brain injuries, behavioral health issues, and developmental disabilities are living longer and having their existing needs compounded by the additional care concerns associated with aging. Caregiver training is needed to augment staff skills in identifying and addressing the complex needs of such clients.

**Strategic Issue Number: 6**

*Improving the system for serving persons with behavioral health problems.*

The Department continues to strengthen the behavioral health care system through systemic improvements designed to assure accessible care to clients and to improve the accountability of the behavioral health care system. To assure that the behavioral health care system provides accessible care to clients, the Department needs to accomplish several initiatives. First, mental health services and physical health services need to be better coordinated and integrated. To accomplish this, the Department needs to work closely with the Arizona Health Care Cost Containment System (AHCCCS) Administration, acute care health plans, and primary care providers to identify ways to share information about common clients, provide care collaboratively, and consult with one another on complex cases. A sound clinical assessment is critical to providing the right amount and type of services to clients and families. Toward that end, the Department is implementing standardized assessment requirements. This work lays the foundation for service planning and delivery to the client and family and is crucial in supporting access to needed services. Another step toward improving service access involves expanding and enhancing the statewide network of behavioral health service providers. The Department's focus for FY 2004 will be expansion of supportive, rehabilitative, and substance abuse services. Establishing standards to guide service delivery is another area for systemic improvement. Service delivery guidelines will assist clinicians in matching the most effective treatment and service to the client's assessed needs. In concert with standardizing assessments and service delivery guidelines, the Department needs to develop and implement statewide standards for the credentials of clinical staff providing services to clients. By doing so, the Department will be better able to assure clients that they are receiving care

and services from clinically competent staff regardless of the region where services are provided. Additional initiatives are being undertaken to improve the accountability of the behavioral health care system. The Department is developing a contracting process to obtain the best possible vendor to provide behavioral health services in each region of the State. Toward that end, the Department is examining state-of-the-art, performance-based contracting models so that innovative means of contracting with regional behavioral health authorities can be identified. Accountability will also be improved through the Department's new Bureau for Human Rights. Further, accountability will be enhanced as the Department improves its ability to guard against fraud and abuse by implementing a comprehensive compliance program. Finally, efforts to improve reporting of client outcomes will further augment accountability.

**Strategic Issue Number: 7**

*Developing and maintaining a coordinated system of care to meet the needs of children served by multiple State agencies.*

Different State agencies have responsibilities for assisting children with complex needs. Numerous initiatives are underway to improve our ability to serve these children. Intergovernmental agreements are now in place to provide structure and guidance on delivering care. The Jason K lawsuit, settled in FY 2001, provides further impetus for many activities designed to move the children's behavioral health system forward. Activities planned for FY 2004 include training rural direct service staff and State agency staff in the family-centered strength based approach to treatment planning, increasing the availability of respite services, expanding statewide the number of children served through the family-centered approach to treatment planning, implementing a new assessment tool for family-centered practice, implementing guidelines for the prescription and use of psychotropic medications, working with other state agencies to collaboratively deliver children's services, and incorporating families in the planning, evaluation, and implementation of the children's behavioral health system.

**Strategic Issue Number: 8**

*Pursuing proactive regulation, with an emphasis on collaboration, education, and partnerships while maintaining effective, fair enforcement.*

The Department of Health Services is committed to working effectively with licensed providers. While statutorily mandated to license, inspect, monitor, and take appropriate legal action for non-compliance, the Department is also committed to a proactive regulation model that emphasizes training and technical assistance. By increasing timeliness, providing technical assistance to providers, and educating consumers about required standards, the Department can improve the health and safety of Arizona's citizens.

**Strategic Issue Number: 9**

*Enhancing the skills and work environment for Department employees through training and other employee development strategies.*

A strong, committed workforce is essential to the ongoing success of the Department. The Department is committed to improving the work environment by enhancing cultural awareness. In addition, the Department will strive to increase training opportunities for its employees.

**Strategic Issue Number: 10**

*Supporting the implementation of the Department of Health Services' goals through improved internal communication, administration, business, and information technology.*

The Department is committed to increasing customer service to internal and external customers. Critical business functions are being reviewed to determine what processes need to be modified. External customers will be asked to provide input regarding which business functions negatively impact their operations. We are building partnerships based on mutually agreed expectations in order to improve communication, teamwork, and customer service. Strategies will be identified and implemented to develop a stable, high-performance workforce by enhancing employee selection processes and reducing employee turnover. The Department continues to develop information systems so that relevant business data can be used to make informed business decisions.

However, the Department faces the challenge of balancing limited IT resources against increasing demand. High staff turnover, the inability to recruit and retain IT professionals with new and emerging technology skills, and competing project demands continue to challenge our ability to meet support and service needs. The implementation of recent customer service initiatives such as service level agreements and improved Help Desk call tracking, dispatch, and resolution has yielded positive results in balancing workloads of limited technical support staff. Also, implementation of a formal project management and control structure has significantly improved the way in which large scale application development efforts are managed to project time lines, scope, and budget. The Department plans to implement other initiatives to make the most effective use of available IT resources including: implementation of software tools to help manage desktop, file server and local area networks; creation of formal career development and training plans; an evaluation of resource assignments based on agency priorities; and additional customer service initiatives to address improved communication between internal support staff and customers.

HSA.1.1 SUBPROGRAM SUMMARY  
**DIRECTOR'S OFFICE**

Contact: Danny Valenzuela, Deputy Director for Administration  
 Phone: (602) 542-1025  
 A.R.S. § 36-132

**Subprogram Mission:**

*To provide the leadership, direction and support the Agency requires to operate effectively and efficiently.*

**Subprogram Description:**

The office provides: policy development; strategic planning and process improvement; monitoring and oversight of the Agency's budget; legislative services; agency legal counsel; 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 agencies and groups to improve coordination of health services and to exchange 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 Agency and its contractors; and provides agency-wide training to a staff that is reflective of the culturally diverse population.

HSA.1 PROGRAM SUMMARY  
**ADMINISTRATION**

Contact: Catherine R. Eden, Director  
 Phone: (602) 542-1025  
 A.R.S. § 36-132

**Program Mission:**

*To provide the leadership, direction and resources to ensure the Agency's mandated responsibilities, mission and goals are met.*

**Program 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,359.4	3,205.1	3,265.1
Other Appropriated Funds	720.6	1,540.0	1,560.0
Other Non Appropriated Fund	14.9	21.1	21.1
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>3,094.9</b>	<b>4,766.2</b>	<b>4,846.2</b>
FTE Positions	67.6	67.6	67.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure a diverse, motivated and well trained staff.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of agency staff turnover.	12.7	9.7	9.0	8.6
● Percent of DHS workforce who are minorities.	31.9	31.8	33.0	34
● Number of EEO complaints.	9	7	12	10
● Number of EEO complaints dismissed.	8	7	12	10
● Number of leadership training units delivered.	N/A	633	640	640

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of lawsuits/claims.	22	20	25	25

**This Program Contains the following Subprograms:**

- ▶ Director's Office
- ▶ Business and Financial Services
- ▶ Information Technology Services

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	11,599.0	13,227.4	14,044.2
Other Appropriated Funds	4,896.5	8,511.7	8,652.6
Other Non-Appropriated Fund	-6.2	26.2	26.2
Federal Funds	79.5	461.8	461.8
<b>Program Total</b>	<b>16,568.8</b>	<b>22,227.1</b>	<b>23,184.8</b>
FTE Positions	251.3	250.3	250.3

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of scheduled administrative hearings.	286	330	350	350
● Number of docketed actions.	464	413	500	500

◆ Goal 3 - To ensure the proper release of records requested for Human Subjects Research.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● HSRB/IRB research projects/studies requests for submission packet processed.	68	56	100	75
● HSRB/IRB final determinations by Board on projects/studies submitted.	36	40	75	75

◆ Goal 4 - To ensure that services and programs are administered efficiently.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration as a percent of total cost.	1.8	1.5	1.6	1.6

HSA.1.2 SUBPROGRAM SUMMARY  
**BUSINESS AND FINANCIAL SERVICES**

Contact: Craig Dunlap, Assistant Director  
 Phone: (602) 542-1034  
 A.R.S. § 36-132

**Subprogram Mission:**

*To provide meaningful financial information and business and consulting services in partnership with ADHS customers.*

**Subprogram Description:**

The subprogram monitors the financial expenditures, purchases and contract requisitions for the procurement of goods and services to ensure compliance; and manages facilities, ADA projects, capital building renewal, risk management, fixed asset inventory control and the Agency's fleet.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,436.8	5,521.9	6,278.7
Other Appropriated Funds	3,333.7	5,561.5	5,682.4
Other Non Appropriated Fund	-36.2	0.9	0.9
Federal Funds	-442.7	0.0	0.0
Subprogram Total	7,291.6	11,084.3	11,962.0
FTE Positions	99.4	99.4	99.4

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To improve services by developing mutually beneficial relationships with our customers through partnerships.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of procurement and business related training sessions conducted.	51	7	25	25
● Number of customers trained.	593	104	250	250

◆ Goal 2 - To implement and continually enhance a business system that satisfies and anticipates customer needs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average days to process purchase and contract requisitions (PR/CR): - \$0-1,000.	16	18	10	10
● Average days to process (PR/CR)-\$1,001-5,000.	18	19	15	15
● Average days to process (PR/CR)-\$5,001-35,000.	30	33	25	20
● Average days to process (PR/CR)-over \$35,000.	38	36	30	26
● Average working days to pay claims.	11	9	9	8
● Average working days to pay travel claims.	4	3	3	3
● Number of Facilities Request Forms processed.	614	642	600	600
● Number of warehouse requests processed per fiscal year.	3,500	3,996	3,500	3,000
● Average number of days to pay vendors from the date of invoice.	11	9	9	8
● Percent of invoices paid within 30 days.	93	94	95	96

HSA.1.3 SUBPROGRAM SUMMARY  
**INFORMATION TECHNOLOGY SERVICES**

Contact: Eric Hedlund, Assistant Director  
 Phone: (602) 542-1073  
 A.R.S. § 36-132

**Subprogram Mission:**

*To provide information technology leadership and solutions to improve the effectiveness and efficiency of the Arizona Department of Health Services' program operations.*

**Subprogram 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 Arizona Department of Health Services' operations, reporting, and planning.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,802.8	4,500.4	4,500.4
Other Appropriated Funds	842.2	1,410.2	1,410.2
Other Non Appropriated Fund	15.1	4.2	4.2
Federal Funds	522.2	461.8	461.8
<b>Subprogram Total</b>	<b>6,182.3</b>	<b>6,376.6</b>	<b>6,376.6</b>
FTE Positions	84.3	83.3	83.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To complete HIPAA remediation, compliance auditing and testing.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of HIPAA plan completed.	0	25	75	100

- ◆ Goal 2 - To improve the ability of current and future Information Technology Services staff to provide efficient and effective customer service.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of ADHS staff satisfied with ITS service delivery.	N/A	N/A	Baseline	TBD

- ◆ Goal 3 - To enhance the agency's ability to further the State's e-Government initiative through the implementation of internet technology.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of visits to the ADHS Web site (plus 20% from Baseline).	N/A	N/A	Baseline	TBD

- ◆ Goal 4 - To provide and maintain high quality, current and standardized systems for ADHS and its customers.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of computer hardware and software replaced per agency replacement plan.	N/A	0	35	100

HSA.2 PROGRAM SUMMARY  
**ASSURANCE AND LICENSURE SERVICES**

Contact: Mary Wiley, Assistant Director  
Phone: (602) 364-3064  
A.R.S. Title 36

**Program Mission:**

*To protect the health and safety of Arizonans by providing information, establishing standards, and licensing and regulating health and child care services.*

**Program Description:**

The program protects the safety of Arizonans that utilize child care and health care facilities through certification, inspection, licensure, complaint investigation, training, quality improvement, and enforcement activities. In addition, Licensing Services licenses audiologists, speech pathologists and hearing aid dispensers, midwives, and developmentally disabled group homes.

**This Program Contains the following Subprograms:**

- ▶ Child Care Licensure
- ▶ Health Care Licensure
- ▶ Administration

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,090.0	6,585.0	6,525.0
Other Appropriated Funds	0.0	448.8	448.8
Other Non-Appropriated Fund	1,020.6	1,522.1	1,522.1
Federal Funds	3,564.0	4,138.2	4,138.2
<b>Program Total</b>	<b>10,674.6</b>	<b>12,694.1</b>	<b>12,634.1</b>
FTE Positions	226.6	228.6	228.6

HSA.2.1 SUBPROGRAM SUMMARY  
**CHILD CARE LICENSURE**

Contact: Lourdes Ochoa, Program Manager  
Phone: (602) 364-2539  
A.R.S. § 36-881 to 892

**Subprogram 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.*

**Subprogram 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; is responsible for enforcement actions (when necessary) including civil penalties, suspension, intermediate sanctions, revocation and denial of licensure; and offers training to providers and education to consumers.

**Subprogram Mission:**

*To ensure the health, safety and well-being of the public in health care facilities throughout Arizona by: licencing and certifying health care facilities; establishing appropriate rules; providing technical assistance and training to care givers; and providing consumer education.*

**Subprogram Description:**

The subprogram ensures that statute is enforced with respect to the licensure and certification of Arizona's: assisted living facilities and adult day health care centers; long-term nursing care institutions and intermediate care for the mentally retarded; medical facilities such as hospitals, inpatient hospices, recovery care and infirmaries, outpatient treatment and surgery facilities, and home health agencies; behavioral health inpatient/residential, outpatient, case management and emergency 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; and Methadone treatment agencies. The subprogram performs health and sanitation inspections of Department of Economic Security licensed foster care homes and inspects and licenses developmentally disabled children's group homes. The subprogram licenses audiologists, speech pathologists, hearing aid dispensers, and midwives. In addition, the subprogram monitors facilities for compliance, conducts complaint investigations and when deficiencies are found, has the responsibility for a variety of enforcement actions up to and including suspension/revocation of licenses, denial of registration, and assessment of civil penalties. The subprogram provides technical assistance and establishes appropriate rules and basic health and safety requirements. The subprogram also conducts quality improvement and staff and provider education.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,670.8	1,707.7	1,707.7
Other Appropriated Funds	0.0	410.8	410.8
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,670.8</b>	<b>2,118.5</b>	<b>2,118.5</b>
FTE Positions	48.4	50.4	50.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure the health and safety of Arizona's children through licensing, monitoring and technical assistance of all child care facilities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of re-licensure surveys completed on time.	40	64	46	80
● Percent of complaint investigations initiated within investigative guidelines.	93	95	86	100
● Percent of priority two complaint investigations initiated within 10 days.	93	96	86	100
● Number of licensed providers.	2,391	2,449	2,501	2,650
● Number of complaints received.	1,184	1,268	1,230	1,450

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,975.6	3,344.2	3,344.2
Other Appropriated Funds	0.0	38.0	38.0
Other Non Appropriated Fund	1,029.9	1,519.6	1,519.6
Federal Funds	3,528.5	4,096.9	4,096.9
<b>Subprogram Total</b>	<b>7,534.0</b>	<b>8,998.7</b>	<b>8,998.7</b>
FTE Positions	158.5	158.5	158.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure the health and safety of Arizonans through licensing, monitoring and technical assistance of health care facilities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of health care re-licensure surveys completed on time.	26	44	30	32
● Percent of health care complaint investigations initiated within investigative guidelines.	88	93	75	80
● Percent of priority two complaint investigations initiated within 10 days.	88	94	75	80
● Number of licensed providers.	3,397	3,531	4,440	4,600
● Number of complaints received.	2,014	2,325	2,030	2,600

HSA.2.2 SUBPROGRAM SUMMARY  
**HEALTH CARE LICENSURE**

Contact: Mary Wiley, Assistant Director  
 Phone: (602) 364-3064  
 A.R.S. Title 36, 8-504A-B

**HSA.2.3 SUBPROGRAM SUMMARY  
ADMINISTRATION**

Contact: Mary Wiley, Assistant Director  
Phone: (602) 364-3064  
A.R.S. Title 36

**Subprogram Mission:**

*To be recognized for providing valuable resources through enforcement, training, effective communication and collaboration.*

**Subprogram Description:**

The subprogram provides administrative services to the six programs of Assurance and Licensure 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,443.6	1,533.1	1,473.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	-9.3	2.5	2.5
Federal Funds	35.5	41.3	41.3
<b>Subprogram Total</b>	<b>1,469.8</b>	<b>1,576.9</b>	<b>1,516.9</b>
FTE Positions	19.7	19.7	19.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve enforcement processes by decreasing cycle time from initiation of enforcement action to date sent to Administrative Counsel.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
Days from completion of investigation to receipt by enforcement team.	2.2	6.46	8	10

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
- ▶ SMI Services
- ▶ Children's Behavioral Health
- ▶ Prevention

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	201,051.9	203,578.1	284,663.6
Other Appropriated Funds	19,119.5	36,055.5	30,555.5
Other Non-Appropriated Fund	536,984.8	668,991.8	747,042.7
Federal Funds	38,371.9	40,821.5	40,137.6
<b>Program Total</b>	<b>795,528.1</b>	<b>949,446.9</b>	<b>1,102,399.4</b>
FTE Positions	170.1	169.1	168.4

**HSA.3.1 SUBPROGRAM SUMMARY  
ADMINISTRATION**

Contact: Ann Froio, Division Chief  
Phone: (602) 364-4674  
A.R.S. § 36-3402

**Subprogram Mission:**

*To provide effective oversight of RBHA services and contract compliance.*

**Subprogram 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,442.8	4,446.2	7,939.2
Other Appropriated Funds	2,525.4	0.0	0.0
Other Non Appropriated Fund	14,937.7	17,285.1	19,691.2
Federal Funds	176.2	497.1	491.1
<b>Subprogram Total</b>	<b>21,082.1</b>	<b>22,228.4</b>	<b>28,121.5</b>
FTE Positions	156.0	154.0	154.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure that the behavioral health needs of Arizonans are met through standards set in ADHS/RBHA contracts.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
Percent of Title XIX/XXI clients receiving a first service within 30 days of referral.	81	86	85	90

**HSA.3 PROGRAM SUMMARY  
BEHAVIORAL HEALTH SERVICES**

Contact: Leslie Schwalbe, Deputy Director for Behavioral Health Services  
Phone: (602) 364-4567  
A.R.S. § 36-3402

**Program Mission:**

*To create partnerships for personal and community health.*

**Program Description:**

Behavioral Health Services coordinates, plans, administers, regulates, and monitors all facets of the public behavioral health prevention and treatment systems, and contracts with five 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

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of eligible Title XIX population enrolled.	8.2	9.0	8.5	8.7

◆ Goal 2 - To ensure the fiscal and financial accountability of the RBHAs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of encounters received no later than 210 days after the end of the month which service is rendered.	95	76	95	96

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of RBHA T-XIX clients satisfied with services.	74	N/A	75	75

The survey is conducted every two years. Results for FY 2003 will be available in November, 2003.

HSA.3.2 SUBPROGRAM SUMMARY  
**GENERAL MENTAL HEALTH SERVICES**

Contact: Michael Franczak, Ph.D, Division Chief  
Phone: (602) 364-4626  
A.R.S. § 36-2907.02

**Subprogram 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 targeted persons who are not eligible for Title XIX/ Title XXI funded services.*

**Subprogram 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 targeted Title XIX and Non-Title XIX adults.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	947.3	3,373.1	4,405.4
Other Appropriated Funds	654.9	1,345.1	0.0
Other Non Appropriated Fund	6,337.6	4,931.6	4,931.6
Federal Funds	442.8	656.2	0.0
Subprogram Total	8,382.6	10,306.0	9,337.0
FTE Positions	0.0	0.6	0.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide general mental health services to Title XIX and Title XXI eligible adults and targeted adults who are not eligible for Title XIX or Title XXI funded services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Title XIX/XXI General Mental Health Adults enrolled.	13,500	18,100	21,500	25,600
● Number of Non-Title XIX/Non-Title XXI (Subvention) General Mental Health Adults enrolled.	6,300	6,000	5,000	5,000
● Total number of General Mental Health Adults enrolled.	19,800	24,100	26,500	30,600

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of RBHA Title XIX clients satisfied with services.	74	N/A	75	75

This survey is conducted every two years. Results for FY 2003 available in November, 2003.

HSA.3.3 SUBPROGRAM SUMMARY  
**SUBSTANCE ABUSE SERVICES**

Contact: Michael Franczak, Ph.D, Division Chief  
Phone: (602) 364-4626  
A.R.S. § 36-2001

**Subprogram 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 targeted persons who are not eligible for Title XIX/ Title XXI funded services.*

**Subprogram Description:**

The agency contracts with the RBHAs to offer a comprehensive continuum of substance abuse intervention and treatment services to meet the needs of targeted Title XIX and Non-Title XIX individuals and families involved in substance use and abuse.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	26,449.5	29,377.0	44,660.9
Other Appropriated Funds	3,350.0	0.0	0.0
Other Non Appropriated Fund	86,471.2	96,878.6	111,428.8
Federal Funds	22,514.3	24,522.9	24,522.9
Subprogram Total	138,785.0	150,778.5	180,612.6
FTE Positions	7.5	7.9	7.9

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To reduce/eliminate use of alcohol and other drugs among clients who complete substance abuse treatment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of clients with eliminated or reduced use of alcohol or drugs.	18	16.5	24	26



- ◆ Goal 2 - To increase paid employment among clients who complete substance abuse treatment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of clients employed or involved in work related activities.	26	19.6	32	34

- ◆ Goal 3 - To reduce criminal activity among clients who complete substance abuse treatment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of clients with decreased arrest rate.	49	52	60	65

- ◆ Goal 4 - To provide substance abuse services to Title XIX and Title XXI eligible adults and targeted adults who are not eligible for Title XIX or Title XXI funded services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Title XIX/XXI clients with substance abuse disorders enrolled.	8,200	11,300	14,100	17,600
● Number of Non-Title XIX/Non-Title XXI (Subvention) clients with substance abuse disorders enrolled.	11,300	8,700	8,100	8,900
● Total clients with substance abuse disorders enrolled.	19,500	20,000	22,200	26,500

HSA.3.4 SUBPROGRAM SUMMARY

**SMI SERVICES**

Contact: Mike Franczak, Ph.D., Division Chief  
 Phone: (602) 364-4626  
 A.R.S. § 36-503.02

**Subprogram 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 targeted persons who are not eligible for Title XIX/ Title XXI funded services.*

**Subprogram Description:**

The subprogram contracts with RBHAs for the development and maintenance of a comprehensive system of care for individuals with a serious mental illness.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	117,279.3	107,196.4	131,400.5
Other Appropriated Funds	12,589.2	28,981.4	30,555.5
Other Non Appropriated Fund	291,987.3	298,924.6	314,386.9
Federal Funds	1,339.8	1,339.9	1,318.2
Subprogram Total	423,195.6	436,442.3	477,661.1
FTE Positions	2.9	2.9	2.8

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Title XIX/XXI clients enrolled with a SMI.	14,400	16,300	18,200	20,400
● Number of Non-Title XIX/Non-Title XXI (Subvention) clients enrolled with a SMI.	10,200	10,600	10,900	11,200
● Total clients enrolled with a SMI.	24,600	26,900	29,100	31,600
● Percent of SMI clients on anti-psychotics receiving new generation psychotropic medications.	61	58.4	70	75

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of adult SMI clients who have moved to independent or supportive settings who were homeless.	226	208	242	262

- ◆ Goal 3 - To increase the number of adult SMI clients who obtain employment as a result of services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of clients employed or involved in work related activities.	21	27.4	32	34

HSA.3.5 SUBPROGRAM SUMMARY

**CHILDREN'S BEHAVIORAL HEALTH**

Contact: Michael Franczak, Ph.D, Division Chief  
 Phone: (602) 364-4626  
 A.R.S. Title 36, Ch. 29, 34

**Subprogram 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 targeted persons who are not eligible for Title XIX / Title XXI funded services.

**Subprogram Description:**

Children and adolescents under age 18 may be referred for assessment of need for a continuum of behavioral health services delivered by RBHAs and their contracted provider networks. Services range from in-patient to out-patient services, and are available in alternative settings, including home and community-based treatment. Residential and out-patient services are provided according to established Individual Education Plans (IEP) for children who are seriously emotionally handicapped.

**Subprogram Mission:**

To provide preventative behavioral health services that will increase the health and productivity of Arizonans.

**Subprogram 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 Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	48,191.8	54,408.3	91,480.5
Other Appropriated Funds	0.0	5,729.0	0.0
Other Non Appropriated Fund	137,164.0	250,971.9	296,604.2
Federal Funds	7,096.7	7,799.3	7,799.3
<b>Subprogram Total</b>	<b>192,452.5</b>	<b>318,908.5</b>	<b>395,884.0</b>
FTE Positions	2.3	2.3	2.3

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,741.2	4,777.1	4,777.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	87.0	0.0	0.0
Federal Funds	6,802.1	6,006.1	6,006.1
<b>Subprogram Total</b>	<b>11,630.3</b>	<b>10,783.2</b>	<b>10,783.2</b>
FTE Positions	1.4	1.4	1.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide behavioral health services to Title XIX, Title XXI and Subvention eligible children and adolescents statewide.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Title XIX/XIX children enrolled.	20,400	25,300	33,000	37,000
● Number of Non-Title XIX/Non-Title XXI (Subvention) children enrolled.	6,700	6,400	6,600	6,700
● Total children enrolled.	27,100	31,700	39,600	43,700

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of RBHA Title XIX youth (ages 14-17) satisfied with services. This survey is conducted every two years. Results for FY 2003 will be available in November, 2003.	65	N/A	73	75
● Percent of RBHA Title XIX families (with children ages 0-17) satisfied with services. This survey is conducted every two years. Results for FY2003 will be available in November, 2003.	67	N/A	73	75

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide behavioral health prevention services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of persons receiving prevention services.	177,000	147,000	153,000	156,000

HSA.4 PROGRAM SUMMARY  
ARIZONA STATE HOSPITAL

Contact: Jack B. Silver, Superintendent  
Phone: (602) 220-6000  
A.R.S. § 36-202, 3402

**Program Mission:**

To restore and enhance the mental health of persons requiring psychiatric services in a safe, therapeutic environment.

**Program Description:**

The Arizona State Hospital, a component of the statewide continuum of behavioral health services, provides tertiary inpatient treatment and rehabilitation services for the most severely mentally disabled citizens of Arizona, including individuals referred under the provisions of the judicial system. The Hospital must, therefore, 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 Amounts:**

(\$ Thousands)

FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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HSA.3.6 SUBPROGRAM SUMMARY  
PREVENTION

Contact: Michael Franczak, Ph.D, Division Chief  
Phone: (602) 364-4626  
A.R.S. § 36-3433 B1

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General Funds	45,279.7	44,212.5	44,212.5
Other Appropriated Funds	6,107.5	7,819.3	7,519.3
Other Non-Appropriated Fund	677.3	929.1	929.1
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>52,064.5</b>	<b>52,960.9</b>	<b>52,660.9</b>
<b>FTE Positions</b>	<b>876.7</b>	<b>876.7</b>	<b>876.7</b>

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● RN vacancy rate not to exceed regional average.	27	32	15	15

**HSA.4.1 SUBPROGRAM SUMMARY**  
**CLINICAL SUPPORT SERVICES**

Contact: Jack B. Silver, Superintendent  
 Phone: (602) 220-6000  
 A.R.S. § 36-202

**HSA.4.2 SUBPROGRAM SUMMARY**  
**CLINICAL AND PROGRAM SERVICES**

Contact: Erica Weinstein, M.D., Chief Medical Officer  
 Phone: (602) 220-6000  
 A.R.S. § 36-202

**Subprogram Mission:**

*To provide leadership, direction and management for all hospital services and personnel.*

**Subprogram Description:**

The Hospital Clinical Support Services subprogram provides overall leadership, direction, and management for the Arizona State Hospital. The responsibilities of the subprogram include management of hospital operations, fiscal operations, quality resource management, information systems, human resources, safety, physical plant, and contracts for out-source services. The hospital leadership supports quality of services and accreditation, licensure and certification activities of the Hospital.

**Subprogram Mission:**

*To be the pre-eminent tertiary care facility for Arizonans who suffer from serious and persistent mental illnesses.*

**Subprogram Description:**

The Hospital offers programs that provide screening, evaluation, admission and treatment of patients, coordinated by multidisciplinary teams. These programs include psychiatric treatment and rehabilitation for civilly committed persons with serious and persistent mental illnesses. All services are provided within the Arizona continuum of behavioral health services. Forensic inpatient services for individuals committed for restoration to competency or observation, and for those committed as not guilty by reason of insanity or guilty except insane are provided in cooperation with the legal system.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	11,730.7	11,161.8	11,161.8
Other Appropriated Funds	1,979.4	2,534.2	2,234.2
Other Non Appropriated Fund	215.9	300.5	300.5
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>13,926.1</b>	<b>13,996.5</b>	<b>13,696.5</b>
<b>FTE Positions</b>	<b>157.0</b>	<b>157.0</b>	<b>157.0</b>

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	24,149.3	23,277.6	23,277.6
Other Appropriated Funds	4,128.1	5,285.1	5,285.1
Other Non Appropriated Fund	450.4	626.6	626.6
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>28,727.8</b>	<b>29,189.3</b>	<b>29,189.3</b>
<b>FTE Positions</b>	<b>531.7</b>	<b>531.7</b>	<b>531.7</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure facilities meet modern day treatment, environmental and security standards.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of capital improvement project completed.	70	85	100	100
● Average census/unit.	23	23	22	22
● Number of units with medication dispensing machines.	1	1	10	10

- ◆ Goal 2 - To maintain a stable and competent work force.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of staff turnover during the first 12 months of employment.	36	15	15	15

- ◆ Goal 1 - To provide effective and patient-centered treatment and rehabilitation services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Adult forensic patients year-end census.	163	170	180	180
● Civil adult patients year-end census.	135	137	141	141
● Percent of Restoration to Competency adults discharged within 90 days of admission.	72	64	75	75
● Seclusion incidents per 1,000 patient days.	2.5	.45	.45	.45
● Restraint incidents per 1,000 patient days.	2.2	.13	.13	.13
● Percent of target population tested positive for Hepatitis C receiving Pegulated Inteferon treatment.	6	1	100	100

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of patients receiving new generation atypical anti-psychotic medication.	85	98	98	98
● Percent of adult clients successfully placed in the community who return for another stay within one year of discharge.	9.0	11	5.0	5.0

**HSA.4.3 SUBPROGRAM SUMMARY**  
**ARIZONA COMMUNITY PROTECTION & TREATMENT CENTER**  
 Contact: Jack Silver, Chief Executive Officer  
 Phone: (602) 220-6191  
 A.R.S. § 36-3701 et. seq. (formerly A.R.S. 13-4601)

**Subprogram Mission:**

*To provide quality services for the control, care and treatment of individuals committed by the court as sexually violent persons (SVP's).*

**Subprogram Description:**

In October 1997, in response to ARS § 13-4601 et.seq., DHS designated the Arizona State Hospital as the responsible entity for operating a program for the care and treatment of sexually violent persons. The sexually violent persons subprogram is licensed separately as a Secured Residential Level I facility. This subprogram is separately staffed and funded from the psychiatric hospital.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,321.4	9,685.7	9,685.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	11.0	2.0	2.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>9,332.4</b>	<b>9,687.7</b>	<b>9,687.7</b>
FTE Positions	186.0	186.0	186.0

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of residents in housing status only.	50	39	30	47
● Number of residents in treatment.	46	43	127	51
● Number of residents in less restrictive alternative.	33	36	33	44
● Percent of residents in treatment status participating in the designed treatment program.	61	70	84	80
● SVP program year end census.	129	118	190	142

**HSA.4.4 SUBPROGRAM SUMMARY**  
**PSYCHIATRIC REVIEW BOARD**  
 Contact: Jack B. Silver, Superintendent  
 Phone: (602) 220-6000  
 A.R.S. § 13-3994

**Subprogram Mission:**

*To ensure public safety by maintaining jurisdiction and properly monitoring persons who are committed to a secure state mental health facility.*

**Subprogram Description:**

The Psychiatric Review Board, which adopts rules to carry out the purposes of Title 31, Chapter 4 and Title 13, Chapter 38, Article 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 Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	78.3	87.4	87.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>78.3</b>	<b>87.4</b>	<b>87.4</b>
FTE Positions	2.0	2.0	2.0

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of persons monitored.	103	113	138	150

**HSA.5 PROGRAM SUMMARY**  
**PUBLIC HEALTH SERVICES**  
 Contact: Rose Conner, Assistant Director  
 Phone: (602) 542-1023  
 A.R.S. § 36-132

**Program Mission:**

*To protect and improve the public's health through prevention and control of disease and disability.*

**Program Description:**

The Department of Health Services' Division of Public Health Services is comprised of two programs in the Master List, namely Public Health and Community and Family Health. Effective July 1,

2003, the Division of Public Health was reorganized into three major service lines: Public Health Administration, Public Health Preparedness and Public Health Prevention Services.

Public Health Administration is comprised of the Office of the Assistant Director, Bureau of Public Health Statistics (including Vital Records), Office of Border Health, and the Office of Public Health Financial Services. In addition, it includes the State Epidemiologist, Public Information Officer, Local Health Liaison, HRSA Assignee and Public Health Rules.

Public Health Prevention Services is comprised of the Tobacco Education and Prevention Program, Office of Women and Children's Health, Office for Children with Special Health Care Needs, Office of Nutrition and Chronic Disease Prevention Services, Office of Oral Health and the Office of Health System Development.

Public Health Preparedness is comprised of three Bureaus: Epidemiology and Disease Control, Laboratory Services, Emergency Medical Services/Trauma and two offices: Emergency Preparedness and Response and Hospital and Community Preparedness and Response.

**This Program Contains the following Subprograms:**

- ▶ Administration and Local, Border and Native American Health Offices
- ▶ Public Health Statistics
- ▶ Emergency Medical Services
- ▶ State Laboratory Services
- ▶ Arizona Poison Control
- ▶ Epidemiology and Disease Control
- ▶ Infectious Disease Epidemiology and Control
- ▶ Environmental Health and Food Safety
- ▶ Office of HIV/AIDS
- ▶ Arizona Immunization Program
- ▶ Tobacco Education and Prevention
- ▶ Primary Care Resources
- ▶ Primary Care Systems and Services
- ▶ Vital Records

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	12,293.3	27,795.5	27,464.4
Other Appropriated Funds	9,320.3	8,473.9	12,433.0
Other Non-Appropriated Fund	42,556.3	25,157.4	26,157.4
Federal Funds	32,286.8	49,343.7	48,952.2
<b>Program Total</b>	<b>96,456.7</b>	<b>110,770.5</b>	<b>115,007.0</b>
FTE Positions	404.5	417.9	417.9

**Subprogram Mission:**

To provide leadership, coordination and support for the activities in the Division of Public Health Services.

**Subprogram Description:**

The subprogram consists of the Office of the Assistant Director of the Division of Public Health Services, the Public Health Services Office of Financial Services, the Office of Border Health, and the liaisons for local, minority, and Native American health. The Office of the Assistant Director works with the Office of Financial Services and rule writers to coordinate internal programs and resources, provide accountability, and develop and maintain 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 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.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Administration service line.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,922.7	2,256.0	2,256.0
Other Appropriated Funds	111.7	0.0	0.0
Other Non Appropriated Fund	934.2	166.5	166.5
Federal Funds	1,081.6	6,275.8	6,187.0
<b>Subprogram Total</b>	<b>4,050.2</b>	<b>8,698.3</b>	<b>8,609.5</b>
FTE Positions	17.0	22.5	22.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To develop community-based systems for data collection, surveillance, and analysis of health status in border communities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
	● Number of border community health assessments.	2	3	2
● Number of sentinel surveillance sites.	2	3	2	3

- ◆ Goal 2 - To provide technical assistance, continuing health education and dissemination of health-related information to border communities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
	● Number of presentations to health professionals.	5	6	5
● Number of public meetings.	4	2	4	4

HSA.5.1 SUBPROGRAM SUMMARY

**ADMINISTRATION AND LOCAL, BORDER AND NATIVE AMERICAN HEALTH OFFICES**

Contact: Rose Conner, Assistant Director

Phone: (602) 542-1023

A.R.S. § 36-132, 36-110, 36-189A

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of information/educational materials distributed.	1,500	2,000	2,000	2,000
● Number of issues of border health newsletter.	1	2	1	2
● Percent of attendees expressing satisfaction with program.	85	90	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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of border health epidemiologic studies.	2	1	2	1
● Number of border health conferences.	1	1	1	1
● Number of border health projects.	4	6	5	5
◆ Goal 4 - To serve as a resource and communication link with the county health departments.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of meetings with local health officials.	18	21	25	25
● Number of projects receiving consultation/liason services.	N/A	N/A	24	24
◆ Goal 5 - To serve as a resource and communication link with the Native American health care community.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of meetings held with Tribal, Urban and IHS Health.	86	80	80	80
● Number of projects receiving technical assistance.	N/A	36	36	36

HSA.5.2 SUBPROGRAM SUMMARY  
PUBLIC HEALTH STATISTICS

Contact: Richard S. Porter, Bureau Chief  
Phone: (602) 542-7333  
A.R.S. § 36-132,36-136,36-301 to 347

**Subprogram Mission:**

*To collect, analyze and report public health statistics and information that guide actions and policies to improve the health of Arizonans.*

**Subprogram 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.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Administration service line.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,210.5	1,153.8	984.7
Other Appropriated Funds	1,000.0	1,000.0	1,000.0
Other Non Appropriated Fund	551.8	76.0	76.0
Federal Funds	684.1	811.1	811.1
<b>Subprogram Total</b>	<b>3,446.4</b>	<b>3,040.9</b>	<b>2,871.8</b>
FTE Positions	32.3	33.1	33.1

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To manage and provide patent level information.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of inpatient reports.	5	5	5	5
● Number of requests answered.	2,000	2,200	4,000	4,000
● Number of records processed (in millions).	3.5	4.7	8	8

◆ Goal 2 - To manage rate review system for hospitals and nursing homes, outpatient treatment centers and home health agencies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of investigations.	3	10	12	12
● Number of rate comparison reports.	70	70	70	70
● Number of charge master reviews.	1,500	1,700	2,000	2,000
● Number of Uniform Accounting Reports.	80	80	80	80
● Number of financial audits.	85	80	80	80
● Number of Medicare and Medicaid Cost Reports.	255	255	255	255
● Number of referrals/consultations.	1,200	1,100	1,400	1,400
● Number of complaint actions.	85	105	150	150

◆ Goal 3 - To collect and maintain accurate and complete data related to the incidence of cancer in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of case reports received.	27,193	28,531	29,981	31,480

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of cases reported within 1 year of diagnosis (percentage).	67	81	90	90
● Number of data requests/inquiries completed.	65	77	82	82
● Number of audits.	0	0	12	12
● Audit error rate (percent).	N/A	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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of medical records (charts) reviewed.	8,518	5,904	6,000	6,250
● Number of cases identified.	3,123	2,569	2,700	2,800
◆ Goal 5 - To conduct quality surveys of behavioral risk factors affecting the health of Arizonans and report findings.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of interviews completed.	3,200	3,264	3,200	3,200
● Survey response rate (percent).	75	76	75	75
● Percent of calls completed.	40	38	40	40
◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of birth, death, fetal death, marriage, divorce and abortion records processed into population-wide health status information (in thousands).	208.0	209.5	212.5	214
● Number of infants who die within the first year of life per 1000 births.	6.9	6.8	6.8	6.8
● Reports published.	10	10	10	10
● Requests answered.	2,500	2,500	2,500	2,500
◆ Goal 7 - To evaluate health care systems and programs funded by Tobacco Tax through ADHS using selected methodologies and tools to determine efficiency and effectiveness in meeting the mandates set for in A.R.S. § 2907.07				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Evaluation of Tobacco Tax Primary Care System Contractors/Service Sites (Part A & Part B). The Department was defunded for the Evaluation of Tobacco Tax Primary Care System.	32/164	25/159	0	0
● Evaluation of ADHS Tobacco Tax Programs.	10	10	0	0
● Annual Report to JLBC.	1	1	0	0

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Technical Assistance Projects (evaluation).	10	0	0	0

◆ Goal 8 - To increase the efficiency and effectiveness of primary care system utilization verification process for authorization of Tobacco Tax contractor reimbursements by ADHS.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Contractor Data Files Received (Part A & Part B).	1,021	935	0	0

The Department was defunded for the Evaluation of Tobacco Tax Primary Care System.

● Medical/Dental Records Processed. Decrease due to funding.	396,789	259,143	0	0
● Payment Verifications.	140,847	140,000	0	0
● Technical Assistance to Contractors (Contracts).	400	480	0	0

Increase in technical assistance to contractors for FY 2003 attributed to HIPPA.

◆ Goal 9 - To collect and maintain accurate and complete data related to the incidence of traumatic brain injury in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of cases identified.	5,386	6,000	6,000	6,000
● Number of data requests completed.	20	20	25	25

HSA.5.3 SUBPROGRAM SUMMARY  
**EMERGENCY MEDICAL SERVICES**

Contact: Judi Crume, Bureau Chief  
Phone: (602) 364-3150  
A.R.S. § 36-2201 to 2246

**Subprogram Mission:**

*To protect the health and safety of people requiring emergency medical services (EMS), and promote improvements in Arizona's EMS system through research and education of the public and EMS providers.*

**Subprogram Description:**

The subprogram provides direction for all statutorily mandated components of Arizona's EMS system including: certification and auditing of Emergency Medical Technician (EMT) training programs; testing of all individuals seeking certification; certification and auditing of advanced life support base hospitals; inspection of all air and ground ambulances in Arizona; issuance of Certificates of Necessity and determination of rates for certified ambulance services; and investigation of complaints against individuals and entities regulated by the Bureau of EMS. EMS operations includes the funding for EMS Special Projects, EMS Regional Coordinating System, EMS Provider Grants, and EMS Communications and Dispatch. Through this subprogram, funding is provided to rural EMS providers who are unable to meet the increased costs of maintaining and improving 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 trauma system including a trauma registry, training and the education of pre-hospital and hospital staff, and continues to build a system of data linkages between hospitals and the trauma system. This subprogram provides administrative support for three statutorily mandated bodies: the EMS Council, the Medical Direction Commission, and the Trauma Advisory Board.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Preparedness service line.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	4,498.4	3,301.1	3,160.2
Other Non Appropriated Fund	500.7	0.0	0.0
Federal Funds	563.1	719.5	416.8
<b>Subprogram Total</b>	<b>5,562.2</b>	<b>4,020.6</b>	<b>3,577.0</b>
FTE Positions	37.0	37.0	37.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To reduce the number of ambulances that have three or more deficiencies on each mechanical and medical equipment inspection.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of inspections.	727	684	700	700
● Number of ambulances with 3 or more deficiencies.	163	133	122	108

- ◆ Goal 2 - To reduce the rate of occurrence of the ten leading causes of injury.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Unintentional injury-related deaths of children ages 1-14 (per 100,000).	8.5	9.7	9.7	9.7

HSA.5.4 SUBPROGRAM SUMMARY  
**STATE LABORATORY SERVICES**

Contact: Wesley Press, Bureau Chief  
Phone: (602) 542-0357  
A.R.S. § 36-451 to 479, 495, 15

**Subprogram Mission:**

*To ensure that essential laboratory services are available to support public health activities in Arizona.*

**Subprogram Description:**

The State Laboratory provides environmental, clinical and reference analytical lab services to diagnose, prevent, and treat infectious and communicable diseases. 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.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Preparedness service line.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,857.1	2,956.1	2,956.1
Other Appropriated Funds	645.7	822.8	6,322.8
Other Non Appropriated Fund	448.3	308.0	308.0
Federal Funds	2,379.2	2,540.1	2,540.1
<b>Subprogram Total</b>	<b>6,330.3</b>	<b>6,627.0</b>	<b>12,127.0</b>
FTE Positions	90.3	91.3	91.3

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of micro performance testing (PT) samples.	700	700	700	700
● Percent of micro PT samples correct.	98	98	98	98
● Number of chemical PT samples.	420	420	420	420
● Percent of chemical PT samples correct.	95	95	95	95

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of newborns screened under the Newborn Screening Program.	83,500	86,360	88,000	89,000



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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of secondary screens.	65,100	73,600	75,000	77,000
● Number of infants with confirmed metabolic disorders.	52	55	60	60
● Number of Newborn Screening (NBS) PT tests.	220	240	240	240
● Percent of tests correct.	100	100	100	100
● Percent of unsatisfactory specimens.	0.8	1.25	1.0	0.7
● Percent of NBS specimens completed in 5 days.	94	95	95	97
◆ Goal 3 - To ensure ongoing support for existing and expanded public health services.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of new cases of TB identified.	280	245	260	260
● Number of encephalitis positive mosquito pools.	20	10	25	25
● Number of animals identified positive for rabies.	130	130	120	125
● Number of people exposed to rabid animals.	20	12	20	25
● Number of tests negative for rabies: vaccine not required.	2,550	2,200	2,300	2,400
● Number of bacterial cultures performed.	5,000	5,700	5,000	5,200
● Number of significant isolates.	1,650	2,400	2,400	2,500
● Number of serological tests performed.	55,500	49,200	52,000	55,000
● Number of significant findings (HIV program expected to end FY 2002).	1,500	1,400	2,000	2,500
● Number of respiratory viral cultures.	400	550	600	700
● Number of positive influenza cultures.	145	130	150	150

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of samples for environmental lead.	310	250	350	350
● Percent of samples identified with lead.	12	20	18	20
● Water samples (DW & SW): Chemical parameters tested.	14,400	19,600	15,000	15,000
● Water samples (DW & SW): Positive chemical results.	1,650	2,715	1,700	1,700
● Number of water tests - microbiology.	2,500	2,100	3,000	3,000

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of samples violating standards (sw).	1.0	.5	1.0	1.2
● Percent of samples violating standards (dw).	6.0	6.5	7.0	7.0
● Number of food tests.	250	220	250	300
● Percent of samples containing contaminants.	19	31	25	25
◆ Goal 5 - To assist environmental, clinical and blood alcohol testing laboratories to meet all applicable regulatory requirements through licensing surveys, enforcement actions, training and consultation for correction of deficiencies.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of environmental labs licensed.	140	134	150	127
● Number of Clinical Laboratory Improvement Act labs surveyed.	186	180	180	180
● Number of labs with condition level deficiencies.	16	16	20	20
● Number of operator/instructor permits.	1,200	875	75	0
Program being transferred to ADPS on September 17, 2003.				
● Number of analyst permits.	50	54	50	0
Program being transferred to ADPS on September 17, 2003.				
● Number of expert witness testimony provided.	0	1	0	0
Program being transferred to ADPS on September 17, 2003.				

HSA.5.5 SUBPROGRAM SUMMARY  
**ARIZONA POISON CONTROL**

Contact: Judi Crume, Bureau Chief  
 Phone: (602) 861-0708  
 A.R.S. § 36-1163

**Subprogram Mission:**

To provide a 24-hour, seven day-a-week statewide poison and drug information system for doctors, medical institutions, and citizens.

**Subprogram Description:**

The subprogram, made up of the Arizona Poison and Drug Information Center at the University of Arizona (UA) and the Samaritan Regional Poison Center (SRPC), 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,387.5	1,850.0	1,850.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,387.5</b>	<b>1,850.0</b>	<b>1,850.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide 24-hour, seven day-a-week statewide poison and drug information to doctors, medical institutions and citizens.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of calls received per 1,000 population (U of Arizona).	N/R	30.0	30.0	30.0
● Number of calls received per 1,000 population (Banner Poison Control Center).	N/R	27.6	28.7	29.8
● Percent of cases receiving follow up call (U of Arizona).	N/R	60	60	60
● Percent of cases receiving follow up call (Banner Poison Control Center).	N/R	83	83	83

**Subprogram Mission:**

To monitor, investigate, prevent and control diseases caused by infectious agents, toxins and environmental hazards.

**Subprogram 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.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Preparedness service line.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	275.6	826.5	826.5
Other Appropriated Funds	236.7	0.0	0.0
Other Non Appropriated Fund	268.5	0.0	0.0
Federal Funds	5,804.1	13,433.7	13,433.7
<b>Subprogram Total</b>	<b>6,584.9</b>	<b>14,260.2</b>	<b>14,260.2</b>
FTE Positions	31.5	36.1	36.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To collect and maintain accurate and complete data relating to the occurrence of diseases in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Summary of all communicable disease cases tracked by disease surveillance system.	36,252	42,777	45,000	45,000
● Number of animals detected that have diseases transmittable to humans (rabies, plague, hantavirus, etc.).	164	149	100	100
● Number of non-infectious diseases (lead poisoning, pesticide exposure, etc.).	220	239	200	200

- ◆ Goal 2 - To provide critical medical and support services to end-stage renal disease patients.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of patients assisted.	317	343	300	300
● Number of patient services provided.	1,333	1,492	1,300	1,250

- ◆ Goal 3 - To develop and implement a statewide health alert network communication system.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of public health and emergency response professionals on Health Alert Network.	110	448	1,000	2,500

HSA.5.6 SUBPROGRAM SUMMARY  
**EPIDEMIOLOGY AND DISEASE CONTROL**

Contact: Will Humble, Bureau Chief  
 Phone: (602) 230-5941  
 A.R.S. § 36-132, 36-136

◆ Goal 4 - To conduct training and education programs on bioterrorism and public health emergency response activities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of persons who have received training.	1,840	2,876	3,000	3,000

◆ Goal 5 - To ensure trained volunteers statewide are trained to assist in dispensing clinics and other operations during a public health emergency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of trained volunteers available to assist in state and local public health emergency operations.	0	0	250	500

◆ Goal 6 - To develop an electronic disease surveillance system (MEDSIS).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of agencies, organizations, and other entities reporting to MEDSIS.	0	0	50	150

◆ Goal 1 - To prevent and control communicable diseases through early detection and response to disease threats.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 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.	7,920	5,900	6,500	7,000

● Percent of outbreak investigations initiated within 48 hours of reporting to ADHS.	100	100	100	100
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◆ Goal 2 - To control incidence of tuberculosis by monitoring compliance with recommended guidelines for treatment of tuberculosis cases and their contacts.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Patients reported with active tuberculosis disease per 100,000 population.	5.4	4.8	4.7	4.6
● Percent of contacts to active tuberculosis cases who complete prophylaxis.	72	N/A	76	78

◆ Goal 3 - To monitor the magnitude of Hepatitis C viral (HCV) disease in Arizona and provide HCV prevention and education services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of HCV cases reported.	6,338	10,258	11,000	11,000
● Number of HCV positive persons contacted and provided disease control and prevention education.	310	413	5,000	6,000

◆ Goal 4 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of technical assistance visits.	70	75	75	75

HSA.5.7 SUBPROGRAM SUMMARY  
**INFECTIOUS DISEASE EPIDEMIOLOGY AND CONTROL**

Contact: Victorio Vaz, Office Chief

Phone: (602) 230-5935

A.R.S. § 36-104, 132, 133, 136, 620, 711,713,714,718

**Subprogram Mission:**

*To reduce morbidity, disability and premature death due to communicable diseases.*

**Subprogram Description:**

The subprogram is responsible for: maintaining a disease registry on reportable communicable diseases; monitoring disease trends through surveillance; outbreak investigations and data analyses; providing technical assistance to local and tribal health departments regarding prevention and control of disease caused by infectious agents and microbial toxins; monitoring viral encephalitis and rabies through surveillance of mosquitoes and rabid animals; educating public health care providers and the public health community; and developing rules as needed.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Preparedness service line.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,468.2	1,731.4	1,731.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	5.4	0.0	0.0
Federal Funds	1,463.7	1,833.0	1,833.0
<b>Subprogram Total</b>	<b>2,937.3</b>	<b>3,564.4</b>	<b>3,564.4</b>
FTE Positions	29.0	29.5	29.5

**Subprogram Goals and Performance Measures:**

HSA.5.8 SUBPROGRAM SUMMARY  
**ENVIRONMENTAL HEALTH AND FOOD SAFETY**

Contact: Will Humble, Office Chief

Phone: (602) 230-5941

A.R.S. § 36-132,136,606,796,901,916,971,980,1671,1693, 8-52

**Subprogram Mission:**

*To prevent and control adverse health effects due to environmental factors including sun and lead exposure and pesticide poisoning; to reduce the occurrence of illness due to transmission of infectious agents in food, water and exposure to unsanitary conditions; and to provide objective public health analyses of environmental exposures.*

**Subprogram Description:**

The subprogram identifies, prevents and controls exposure to selected environmental contaminants; provides human health risk assessments; develops rules relating to environmental sanitation and food protection; coordinates the state's food safety program; provides pesticide and childhood lead poisoning prevention activities; and responds to environmental emergencies.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Preparedness service line.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	519.9	519.7	519.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	119.1	100.0	100.0
Federal Funds	457.5	807.7	807.7
Subprogram Total	1,096.5	1,427.4	1,427.4
FTE Positions	23.5	23.5	23.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of risk assessments.	28	27	25	35
● Number of epidemiological studies.	3	4	4	4
● Number of ADHS/DEQ consultations.	55	50	25	25
FY2004 and FY2005 numbers reflect reduction in funding.				
● Number of emergency response/requests.	11	11	15	15
● Number of inquiries for information.	3,300	3,100	3,000	3,000
● Number of health assessments.	9	14	15	15

- ◆ Goal 2 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of reports in registry.	163	239	200	200
● Number of follow-up consultations.	311	400	400	400
● Number of investigations.	68	61	70	70

- ◆ Goal 3 - To investigate reports of pesticide-related illness to determine circumstances of exposure and maintain a registry of reports.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of investigations.	19	9	10	10
Decrease attributed to staffing reduction				
● Number of reports in registry.	15	9	10	10
Decrease attributed to staffing reduction				

- ◆ Goal 4 - To reduce risk associated with foodborne disease transmission at all Arizona Department of Corrections (ADC) prisons.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of ADC facilities inspected.	271	381	375	375
● Percent of ADC facilities in compliance.	94	96	95	95

- ◆ Goal 5 - To reduce risk associated with foodborne illness by performing environmental health inspections of adult foster care homes, BHS treatment centers, homes for the developmentally disabled, requests from other state agencies, and DHS-licensed children's camps.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of facilities inspected.	354	454	450	450
● Percent of facilities in compliance.	100	96	95	95

- ◆ Goal 6 - To increase assistance to and responsibilities of County Health Departments by conducting joint sanitarian inspections, standardization, program evaluation, and needs assessments.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of joint inspections/trainings.	225	121	150	150
● Number of sanitation standardizations.	3	21	50	60
● Number of county health department program evaluations.	15	15	15	15
● Number of program areas delegated to county health departments.	9	9	9	9

- ◆ Goal 7 - To provide Arizonans with health consultations and community health education activities relating to potential human exposures to hazardous materials.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of health consultations.	9	8	12	12
● Number of environmental education presentations.	22	19	25	25
● Number of community consultations.	89	80	80	80
● Number of technical assistance consultations.	222	220	200	200

- ◆ Goal 8 - To educate Arizona children about the importance of sun safety by developing school-based learning programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of SunWise schools.	0	268	350	400

HSA.5.9 SUBPROGRAM SUMMARY  
**OFFICE OF HIV/AIDS**

Contact: Bruce Porter, Office Chief  
Phone: (602) 364-3593  
A.R.S. § 13-1414,1415; 32-1860; 36-104; 6-136,663,664

**Subprogram Mission:**

*To monitor trends in the HIV/AIDS epidemic in Arizona by maintaining an HIV/AIDS disease registry, facilitating case investigations and conducting research.*

**Subprogram Description:**

The program conducts disease surveillance activities, facilitates primary and secondary prevention initiatives, provides HIV care and support services and directs public health research.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Preparedness service line.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	432.7	1,404.7	1,404.7
Other Appropriated Funds	1,000.0	0.0	0.0
Other Non Appropriated Fund	300.0	0.0	0.0
Federal Funds	13,734.9	16,764.5	16,764.5
Subprogram Total	15,467.6	18,169.2	18,169.2
FTE Positions	35.2	35.2	35.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide HIV prevention, education and counseling services to persons at risk and provide technical assistance, professional guidance and training.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of persons receiving HIV-related services.	14,300	14,400	14,700	14,900
● Number of HIV-related training workshops.	25	25	30	30
● Number of counties funded.	14	14	15	15

- ◆ Goal 2 - To monitor the magnitude of the trends in the HIV/AIDS epidemic to assist in targeting prevention, care and support services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of timely completions from initial report through case investigation (within 12 months).	74	74	75	75

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of cases identified - AIDS.	461	462	470	480
● Number of cases identified - HIV.	547	615	620	630

- ◆ Goal 3 - To rapidly and accurately respond to medical provider requests for medications provided by the DHS AIDS Drug Assistance Program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of medications shipped within 48 hours.	99	99	99	99
● Percent of medications that are the correct product and dose.	100	100	100	100
● Number of clients receiving HIV medication through Arizona Drug Assistance Program (average per month).	702	750	800	850

- ◆ Goal 4 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of positive results received.	22,859	19,793	22,000	24,000
● Percent of results that are accurate.	96	94	95	95

HSA.5.10 SUBPROGRAM SUMMARY  
**ARIZONA IMMUNIZATION PROGRAM**

Contact: Kathy Fredrickson, Office Chief  
Phone: (602) 230-5855  
A.R.S. § 36-135,36-671,36-673-674,36-396,15-871-874, 15-103

**Subprogram Mission:**

*To prevent and control the occurrence of human disease and disability due to infectious agents by the administration of vaccines.*

**Subprogram Description:**

The program assures an immunization delivery system that maximizes the opportunity for the protection conferred by vaccines; procures and distributes vaccines for use by public and private health providers in Arizona; assists in responding to vaccine preventable outbreaks; maintains a system that provides accurate information on the immunization status of children in licensed child care facilities and schools; and compiles immunization data on individuals in a state immunization registry. Additionally, the hepatitis B perinatal program identifies pregnant women who are HBsAg positive and ensures that their newborns, and sexual and household contacts are tested and immunized.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, the subprogram will become part of the new Public Health Preparedness service line.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,127.3	4,545.2	4,545.2
Other Appropriated Funds	440.3	0.0	0.0
Other Non Appropriated Fund	124.0	190.5	190.5
Federal Funds	5,268.0	5,176.0	5,176.0
Subprogram Total	7,959.6	9,911.7	9,911.7
FTE Positions	31.5	32.5	32.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To assure the immunization levels within the state, licensed child care facilities (CCFs), and schools are maintained at appropriate levels.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Immunization rate among 2-year old children (4:3:1). 74 75 72 78

The immunization rates for FY 2004 and FY 2005 will be adversely affected by severe vaccine shortages occurring in 2000, 2001 and 2002 and the inability of health care professionals to recall every child for which a shot was deferred due to vaccine supply.

- Percent of children in compliance with ADHS prescribed vaccination levels at CCFs. 95 95 95 95
- Percent of kindergarten children in compliance with ADHS prescribed vaccination levels. 96 96.6 97 95

Drop for FY 2005 reflects trend for increased personal and medical vaccine exemptions among children.

- Percent of adolescents (7th grade) in compliance with ADHS prescribed vaccination levels. N/A 83 90 90

- ◆ Goal 2 - To assure pregnant women are screened for HBsAg and the newborns receive appropriate prophylactic treatment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Number of pregnant women identified as HBsAg positive. 119 116 100 105
- Percent of newborns who receive appropriate prophylactic treatment at birth. 118 100 100 100

- ◆ Goal 3 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of CHDs in compliance (per calendar year). 100 100 100 100

- ◆ Goal 4 - To enroll providers in the Vaccines for Children Program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of eligible provider sites enrolled. 71 73 73 74

- ◆ Goal 5 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of enrolled provider sites submitting data to the registry. 96 90.4 95 95
- Percent of resident children under 19 years of age in the registry with an immunization event. 93 92.5 95 95

HSA.5.11 SUBPROGRAM SUMMARY  
**TOBACCO EDUCATION AND PREVENTION**

Contact: Cathy Bischoff, Office Chief  
Phone: (602) 364-0824  
A.R.S. § 36-132

**Subprogram Mission:**

To protect and improve the health and quality of life of Arizonans by reducing tobacco use through prevention and treatment, by denormalizing tobacco use and by reducing exposure to environmental tobacco smoke.

**Subprogram Description:**

The Arizona Tobacco Education and Prevention Program manages programs and provides technical assistance to reduce tobacco use in Arizona. By emphasizing a comprehensive, community-based approach, the office addresses tobacco use among all Arizonans through the following: statewide media campaigns and public relations promotions; support of local coalitions; a Smoker's Helpline to provide counseling and referral; promotion of tobacco-free school policies; and establishment and maintenance of youth coalitions.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	28,311.2	24,271.9	24,271.9
Federal Funds	171.2	256.6	256.6
<b>Subprogram Total</b>	<b>28,482.4</b>	<b>24,528.5</b>	<b>24,528.5</b>
FTE Positions	16.5	16.5	16.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To reduce tobacco use among Arizonans.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of cessation clients who receive complete service from the ASHline.	3,752	1,823	2,500	2,500
● Average quit rate for ASHline cessation clients in the last six months.	16.8	21.8	22.0	22.0
● Average quit rate for community based cessation clients in the last six months.	15.4	24	25	25
● Percent of adults who smoked in the last month (Note: Biennial survey asking adults if they smoked in the last 30 days).	N/A	19.3	19	19
● Percent of high school youth who smoked in the last month (Note: Biennial survey asking high school youth if they smoked in the last 30 days).	N/A	20.7	20	20
● Percent of middle school youth who smoked in the last month (Note: Biennial survey asking if middle school youth if they smoked in the last 30 days).	11.4	8.7	8.5	8.0

**Subprogram Mission:**

To identify communities and populations in the state that are underserved for primary health care; and to develop, coordinate and implement strategies to increase resources to improve the availability of services.

**Subprogram Description:**

The subprogram develops a statewide primary health care work plan; prepares recommendations for designation of Arizona Medically Underserved Areas; submits documentation for federal designation of Medically Underserved Areas and Health Professional Shortage Areas; develops community-based plans and strategies to address needs for primary health care providers and services; and coordinates with state and federal agencies as appropriate. This subprogram also identifies and establishes eligible sites for National Health Service Corporation, publicizes the loan repayment programs, and accepts and reviews applications for the J-1 visa waiver program and loan repayment awards from qualified candidates.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Prevention service line.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	275.3	196.3	196.3
Other Appropriated Funds	0.0	100.0	100.0
Other Non Appropriated Fund	247.9	0.0	0.0
Federal Funds	357.3	379.6	379.6
<b>Subprogram Total</b>	<b>880.5</b>	<b>675.9</b>	<b>675.9</b>
FTE Positions	7.2	7.2	7.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To update primary care area profiles annually, including appropriately redesignating currently underserved areas as required, by the end of FY 2003.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of areas redesignated in a timely manner.	100	100	100	100

- ◆ Goal 2 - To assist in recruitment of primary care providers to underserved areas.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of J-1 Visa Waivers supported.	30	30	30	30
● Number of National Health Service Corp placements.	6	8	18	19
● Number of Health Professional Shortage Act designations obtained.	30	42	10	10

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of loan repayments / awards contracted.	14	12	10	10

HSA.5.12      SUBPROGRAM SUMMARY  
**PRIMARY CARE RESOURCES**

Contact: Patricia Tarango, Office Chief  
 Phone: (602) 542-1219  
 A.R.S. § 15-1721

HSA.5.13 SUBPROGRAM SUMMARY  
**PRIMARY CARE SYSTEMS AND SERVICES**

Contact: Patricia Tarango, Office Chief  
 Phone: (602) 542-1219  
 A.R.S. § 36-2921

**Subprogram Mission:**

*To expand access to basic health care for low-income, uninsured Arizona residents through contracts with primary care service providers and to improve the statewide network of primary care services.*

**Subprogram Description:**

The subprogram contracts for primary care development and services, monitors contracted activities, provides guidance and technical assistance to contractors and others, maintains program guidance manuals, and coordinates with federal, state, county and community-based agencies involved in providing and/or improving primary care services and systems.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Prevention service line.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	10,868.0	10,868.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	10,609.7	0.0	0.0
Federal Funds	14.8	14.8	14.8
Subprogram Total	10,624.5	10,882.8	10,882.8
FTE Positions	8.5	8.5	8.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To support the provision of primary health care to uninsured individuals.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of uninsured clients receiving primary care services visits provided through primary care grants.	48,037	48,072	48,072	48,072
● Number of primary care visits provided through funded contracts.	103,448	100,401	100,401	100,401

HSA.5.14 SUBPROGRAM SUMMARY  
**VITAL RECORDS**

Contact: Estevan Sandoval, Office Chief  
 Phone: (602) 364-1225  
 A.R.S. § 36-301 to 347

**Subprogram Mission:**

*To ensure a legal system for recording and archiving every birth and death event in the State of Arizona.*

**Subprogram 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.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Administration service line.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,204.0	1,337.8	1,175.8
Other Appropriated Funds	0.0	1,400.0	0.0
Other Non Appropriated Fund	135.5	44.5	1,044.5
Federal Funds	307.3	331.3	331.3
Subprogram Total	1,646.8	3,113.6	2,551.6
FTE Positions	45.0	45.0	45.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To decrease waiting time for Vital Records' customers for counter services in the Vital Records' lobby.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Customer wait time in Vital Records' lobby (in minutes).	19	25	25	25

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of business days to process an application for birth and death certificates by mail.	15	10	10	10

HSA.6 PROGRAM SUMMARY  
**COMMUNITY AND FAMILY HEALTH**

Contact: Raul Munoz, Deputy Assistant Director  
 Phone: (602) 542-2818  
 A.R.S. § 36-132

**Program Mission:**

*To strengthen the family and community by promoting and improving health status through leadership, collaboration and partnership.*

**Program Description:**

Community and Family Health Services is composed of the following subprograms: Community Health, Oral Health, Women and Children's Health, Children with Special Health Care Needs, and Nutrition and Chronic Disease Prevention.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, these subprograms will become part of



the new Public Health Prevention line, which also includes Primary Care Resources, Primary Care Systems and Services and Tobacco Education and Prevention.

**This Program Contains the following Subprograms:**

- ▶ **Community Health**
- ▶ **Oral Health**
- ▶ **Women's and Children's Health**
- ▶ **Children with Special Health Care Needs**
- ▶ **Nutrition and Chronic Disease Prevention**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	22,195.4	21,901.6	25,159.9
Other Appropriated Funds	2,930.1	3,789.8	3,789.8
Other Non-Appropriated Fund	48,962.9	55,104.0	53,640.2
Federal Funds	121,393.5	132,203.5	131,245.2
<b>Program Total</b>	<b>195,481.9</b>	<b>212,998.9</b>	<b>213,835.1</b>
FTE Positions	247.9	259.9	256.8

HSA.6.1 SUBPROGRAM SUMMARY  
**COMMUNITY HEALTH**

Contact: Raul Munoz, Deputy Assistant Director  
Phone: (602) 542-2818  
A.R.S. § 36-132

**Subprogram Mission:**

*To strengthen the family and community by promoting and improving health status through leadership, collaboration and partnership.*

**Subprogram Description:**

The subprogram is responsible for policy development; coordination of planning and evaluation activities; program integration; coordination with upper management and other Department organizational units; coordination with local, state, and national agencies and organizations; preparation and distribution of reports; and CFHS operational functions.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health, this subprogram will become part of the new Public Health Prevention Services line. The area will be comprised of the Office of the Deputy Assistant Director for Public Health Prevention, Preventative Health and Health Services Block Grant Administration, the Medical Director, Epidemiology and the Governor's Council on Physical Fitness.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,292.7	1,309.2	1,082.9
Other Appropriated Funds	88.4	100.0	100.0
Other Non Appropriated Fund	234.2	308.0	308.0
Federal Funds	1,564.4	1,533.6	1,533.6
<b>Subprogram Total</b>	<b>3,179.7</b>	<b>3,250.8</b>	<b>3,024.5</b>
FTE Positions	23.4	23.7	23.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To reduce the number of child fatalities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of population covered by Local Child Fatality Review Teams.	99	99.5	99.5	99.5
● Percent of cases reviewed by local teams.	97	92.2	95	95
Population increase resulting in downward trend.				
● Number of SIDS deaths in Arizona.	45	36	35	34
● Percent of SIDS cases reviewed by Local Child Fatality Review teams.	99	98	99	99.5

- ◆ Goal 2 - To increase the physical activity of children and adults.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of community events that promote physical activity to children and/or adults.	50	120	50	100
● Number of schools reached through activity programs.	130	141	130	130

- ◆ Goal 3 - To increase local involvement with statewide health initiative (Healthy AZ 2010).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of registered Healthy AZ 2010 projects.	105	152	200	200

- ◆ Goal 4 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of community/agency presentations.	N/A	4	5	6
● Number of health projects for older adults.	N/R	5	6	7

HSA.6.2 SUBPROGRAM SUMMARY  
**ORAL HEALTH**

Contact: Kneka P. Smith, RDH, BS, Office Chief  
Phone: (602) 542-1866  
A.R.S. § 36-132

**Subprogram Mission:**

*To promote oral health for the well-being of all Arizona residents.*

**Subprogram 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 mouthrinses.

Effective July 1, 2003, as part of the reorganizaion of the Division of Public Health Services, this subprogram will become part of the new Public Health Prevention Services line.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	402.7	407.9	407.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	29.8	170.1	170.1
Federal Funds	643.3	593.6	593.6
Subprogram Total	1,075.8	1,171.6	1,171.6
FTE Positions	7.5	10.8	10.8

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To prevent oral diseases in children and adults.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● The percent of high-risk children in second grade who never had tooth decay.	23	27	27	27
● The percent of high-risk children who receive preventative dental care annually.	N/A	23	24	25
● The number of children receiving preventative dental sealants through the Arizona Dental Sealant Program.	3,966	7,175	7,500	8,000
● The percent of the population served by community water systems with optimally fluoridated water.	57.2	59.2	60	60
● The number of children participating in the Arizona Fluoride Mouthrinse Program.	34,350	25,410	21,000	21,000

◆ Goal 2 - To increase access to dental care for children and adults.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● The percent of adults who receive dental care annually.	70	70	70	70
● The percent of high-risk children who receive dental care annually.	N/A	29	30	32

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● The percent of high-risk children through age 5 years who receive dental care annually.	N/A	20	21	25

◆ Goal 3 - To assist communities in solving their own oral health problems.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of communities supported by the Office of Oral Health to asses health needs and resources; develop oral health action plans; and/or implement oral health improvement efforts.	16	13	16	18
● Number of professionals and paraprofessionals trained in emerging oral health issues.	1,253	776	800	850

HSA.6.3 SUBPROGRAM SUMMARY  
**WOMEN'S AND CHILDREN'S HEALTH**

Contact: Jeanette Shea-Ramirez, Office Chief  
Phone: (602) 364-1419  
A.R.S. § 36-132

**Subprogram Mission:**

*To strengthen the family and the community by promoting and improving the health status of women and children.*

**Subprogram Description:**

The Office 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.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Prevention Services line.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,158.1	4,612.1	4,612.1
Other Appropriated Funds	2,841.7	3,689.8	3,689.8
Other Non Appropriated Fund	4,078.6	6,042.1	4,472.6
Federal Funds	8,926.9	8,298.1	7,339.8
Subprogram Total	20,005.3	22,642.1	20,114.3
FTE Positions	105.1	104.1	101.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To reduce mortality and morbidity of the maternal and child population.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Reduction in the post-neonatal (1 month-1 year) mortality rate.	2.4	2.3	2.5	2.5

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Reduction in the rate of deaths to children caused by motor vehicle crashes.	6.0	4.8	5.9	5.9
● Reduction in rate of hospitalizations for nonfatal injuries and poisonings per 100,000 adolescents ages 15 through 19.	711	686	680	675
● Reduction in rate of hospitalizations due to violence against women per 100,000 women ages 18 and older.	21.2	24.3	20	20
● Number of newborns screened under the Newborn Screening Program.	83,000	85,000	86,000	87,000

◆ Goal 2 - To increase access to health care.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 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.	13,365	6,311	6,400	6,400

The reporting format was changes in FY 2003 to be able to capture the unduplicated count of women served.

● Number of children (ages 1 through 14) hospitalized for ambulatory care sensitive conditions per 100,000.	542.0	489.7	515.0	515
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● Percent of Health Start women enrolled in the program in the first trimester of pregnancy.	59.5	44	50	50
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Change reflects new data system that more accurately captures program information.

● Number of Health Start participants.	2,816	2,520	2,600	2,700
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FY 2005 estimate based on continued current base funding level.

HSA.6.4 SUBPROGRAM SUMMARY  
**CHILDREN WITH SPECIAL HEALTH CARE NEEDS**

Contact: Cathryn Echeverria, Office Chief

Phone: (602) 542-2584

A.R.S. § 36-132

**Subprogram Mission:**

*To develop a model system of care for children with special health care needs that will support family-focused, comprehensive, timely and responsive, culturally competent, home and community-based services that are directed toward enhancing family and community strengths.*

**Subprogram Description:**

This subprogram's responsibilities are carried out through direct service programs such as Children's Rehabilitative Services (CRS) or by infrastructure building through community development for Children with Special Health Care Needs (CSHCN). CRS provides services to children who need multi-specialist/interdisciplinary medical care. That service is provided in a cost effective, managed care setting. Community development operationalizes through assessment, service coordination, planning, technical assistance, and pilot programming. The goal is for all children with special needs to have an across-agency family service plan based on need.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	15,544.2	14,655.5	18,140.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	39,219.1	42,031.0	42,031.0
Federal Funds	2,245.8	5,662.1	6,407.9
<b>Subprogram Total</b>	<b>57,009.1</b>	<b>62,348.6</b>	<b>66,579.0</b>
FTE Positions	32.7	34.5	34.5

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide family-centered services in communities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of communities assessed.	9	9	11	13
● Number of "Communities Can" teams.	9	9	11	13
● Number of teams with action plans.	9	9	11	13

◆ Goal 2 - To maximize benefits for CRS members and applicants by enrolling them in other government programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of AHCCCS members.	13,474	11,750	12,000	12,500
● Number of non-AHCCCS members.	3,774	5,789	5,000	5,000
● SSI and Categorical members.	13,468	11,630	12,000	12,500
● Percent of members enrolled in SSI.	31	36	36	36
● Percent of members eligible for AHCCCS.	78	67	67	67
● CRS clients served (Title XIX, Title XXI, and non-Title XIX).	17,248	17,538	17,900	18,500

◆ Goal 3 - To assess and assure quality of inpatient medical care by monitoring and analyzing program services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of inpatient admissions.	684	755	1,400	1,400
All claims for FY 2003 have not been submitted.				
● Number of potential quality issues.	0	1	2	2
● Number of required actions per quality issues.	0	0	0	0

◆ Goal 4 - To provide family-centered services to all CSHCN programs to assure increased family participation and improved satisfaction of care.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of families satisfied with services.	97	97	97	97
● Number of children (ages 1-14) hospitalized for asthma (per 1,000).	170	125	117	111

◆ Goal 5 - To ensure that rates paid to providers for services delivered to CRS TXIX/TXXI members are actuarially sound.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of provider costs covered.	100	100	100	100

◆ Goal 6 - To ensure that contractors provide services within allocated funds to CRS State-Only members.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of services covered.	90	100	100	100

◆ Goal 7 - To provide a coordinated system of care for children with special health care needs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of children served in the OCSHCN Service Coordination program.	130	275	330	400

◆ Goal 8 - To provide education to individuals and organizations/agencies regarding children with special health care needs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of people provided training (non-tele-video).	N/A	400	500	600
● Organizations/agencies provided training.	N/A	25	50	75
● Number of people provided training through tele-video.	N/A	291	350	400

HSA.6.5 SUBPROGRAM SUMMARY  
**NUTRITION AND CHRONIC DISEASE PREVENTION**

Contact: Margie Tate, Office Chief  
Phone: (602) 542-1886  
A.R.S. § 36-132

**Subprogram Mission:**

*To provide the leadership to promote the optimal nutrition status and well-being of Arizonans.*

**Subprogram Description:**

This subprogram directs the continued promotion, planning, implementation, assurance and evaluation of nutrition programs and services. The subprogram collaborates with the public and private sectors and coordinates community education activities on nutrition-related 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 serves as the community branch for the State and as the state agency for several federal nutrition programs and surveillance systems.

Effective July 1, 2003, as part of the reorganization of the Division of Public Health Services, this subprogram will become part of the new Public Health Prevention Services line.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	797.7	916.9	916.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	5,401.2	6,552.8	6,658.5
Federal Funds	108,013.1	116,116.1	115,370.3
Subprogram Total	114,212.0	123,585.8	122,945.7
FTE Positions	79.2	86.8	86.8

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide consultation and technical assistance services; train agency staff, providers, clients, parents, volunteers, and students in nutrition, food service management and health-related topics.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Training services provided.	4,176	5,714	6,000	6,000
● Number of students trained.	29	27	27	27

◆ Goal 2 - To ensure child care programs and child care centers for children comply with meal pattern requirements in meals/snacks served by licensed child care centers to meet Dietary Guidelines for American standards.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of visits to child care programs.	330	196	196	196
● Number of center menus reviewed.	330	196	196	196
● Percent of menus that meet guidelines.	90	90	90	90

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◆ Goal 3 - To provide a quality assurance program for nutrition services provided by Children's Rehabilitative Services (CRS), and Arizona Perinatal Trust Hospitals.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of CRS nutrition services meeting guidelines.	90	61	90	90
● Percent of perinatal nutrition services meeting guidelines.	45	45	45	45

◆ Goal 4 - To participate in collaborative nutrition education projects with state, local, professional associations or voluntary agencies; to plan, coordinate and implement Arizona Nutrition Network activities; and to conduct Arizona Grown/5 a Day for Better Health campaign in collaboration with the Arizona Department of Agriculture.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of nutrition related media impressions (in millions).	7.2	34.2	17	17

Media impressions in 2000 and subsequent years are from the Arizona Nutrition Network Social Marketing Campaign.

● Number of network core partners.	41	37	40	40
● Number of nutrition education materials for food stamp recipients.	444,280	389,977	400,000	400,000
● Social marketing campaigns.	3	7	7	7

◆ Goal 5 - To increase the proportion of the adult population that eats five or more servings of fruits and vegetables to 40 percent.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of adult population meeting nutrition standards.	24.45	22.6	38.3	38.3

◆ Goal 6 - To develop and implement Community Nutrition Education Plans in rural schools targeting 1st through 3rd graders in elementary schools with an enrollment of 50 percent or more Food Stamp eligible children.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of student interventions.	N/A	38,920	40,000	40,000

◆ Goal 7 - To increase the average number of people served from 96,000 to 135,000 per month in the WIC Program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of people served by WIC Program per month.	132,121	132,366	140,000	145,000
● Food benefits distributed (in thousands).	1,585.5	1,588.4	1,680.0	1,740.0
● Percent of WIC infants breastfed at birth.	58	55	65	70

◆ Goal 8 - To maintain or increase the average number of participants per month in the Commodity Supplemental Food Program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of monthly participants in Commodity Supplemental Food Program.	17,852	22,805	22,805	24,805
● Food benefits distributed.	214,219	273,660	273,660	297,660

◆ Goal 9 - To increase intake of folic acid among women of childbearing age in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of WIC participants receiving Farmers Market coupons.	7,062	25,000	28,000	29,000
● Number of women of childbearing age receiving folic acid supplements from the Department.	1,260	24,466	24,466	26,225

◆ Goal 10 - To improve the knowledge and skills of community leaders in relation to the creation of healthy communities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Arthritis Program sponsored self-help courses.	22	35	40	50

◆ Goal 11 - To reduce the incidence of secondary disease and disability in people with chronic disease through effective communication about risk behavior.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of health professionals trained on accepted standards of care for people with diabetes.	384	402	350	750
● Number of persons with diabetes that are provided diabetes education and self management training.	730	700	650	1,300
● Percent of adults reporting diabetes.	6.4	6.7	6.9	7.1

◆ Goal 12 - To improve the delivery of breast and cervical screening for underserved women.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of women screened through the Well Woman Healthcheck program.	4,376	1,675	7,000	7,000

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<b>AGENCY SUMMARY</b>	
<b>COMMISSION OF INDIAN AFFAIRS</b>	
Ron S. Lee, Executive Director	IAA
Contact: A.R.S. § 41-541 to 543	

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of overall satisfaction ratings that are good, better or excellent for two workshops on economic or community development issues.	N/A	96.7	85.0	90.0
● Percent of overall satisfaction ratings that are good, better or excellent for four post Indian Town Hall meetings/ Legislative Process Workshops.	70.0	77.0	80.0	85.0
● Percent of customer surveys rating overall satisfaction as good, better or excellent.	77.8	75.3	84.0	85.0

**Agency Mission:**

To build partnerships to enhance communication and intergovernmental relations with Arizona's 22 Indian Tribes and Nations.

**Agency Description:**

The Arizona Commission of Indian Affairs (ACIA) assembles facts needed by tribal, state, and federal agencies to work together effectively; assists the State in its responsibilities to tribes by making recommendations to the Governor and the Legislature; confers and coordinates with other governmental entities and legislative committees regarding Indian needs and goals; works for greater understanding and improved relationships between Indians and non-Indians by creating an awareness of the needs of Indians in the State; promotes increased participation by Native Americans in state and local affairs; assists tribal groups to develop increasingly effective methods of self-government; and assists urban Indians.



**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	200.1	201.2	201.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	8.4	13.7	15.7
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	208.5	214.9	216.7
FTE Positions	3.0	3.0	3.0

**Strategic Issues**

**Strategic Issue Number: 1**

*In 2002, ACIA was forced to eliminate the Indian Economic Development Program.*

Due to the 2002 Special Session and the additional 10% administrative budget reductions, ACIA eliminated one (1) FTE, the Business Development Representative (BDR). The BDR was responsible for the development and implementation of the Economic Development Program (EDP). As a result, ACIA has eliminated the goals for the EDP and consolidated the performance measures under a single goal, to improve communication and intergovernmental relations with Arizona's 22 Indian Tribes and Nations.

**Strategic Issue Number: 2**

*In 2003, ACIA has eliminated its role in the appointment of tribal members to State Boards and Commissions.*

As part of the Governor's new vision to work closely with Arizona's Indian tribes, her office has taken an aggressive approach to recruit tribal members to State Boards and Commissions. As a result, many tribal members have since been appointed.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To improve communication and intergovernmental relations with Arizona's 22 Indian Tribes and Nations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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**AGENCY SUMMARY  
ARIZONA PIONEERS' HOME**

Jeanine Dike, Superintendent PIA  
 Contact: Carl Johnson, Deputy Superintendent (928) 445-2181  
 A.R.S. § 41-921

**Agency Mission:**

To provide a home and long-term health care for long-time Arizona residents and disabled miners.

**Agency Description:**

The Arizona Pioneers' Home, which was opened for residents in 1911, presently is the home for 128 Arizona pioneers and disabled miners. The employees provide direct nursing care and support to the residents and strive to meet state and federal nursing home standards. The Home is inspected each year by the Arizona Department of Health Service's Nursing Home Surveyors. The Pioneers' Home facility is also on the National Register of Historic Places. The facility is maintained to reflect its historic background and upgraded continuously to maintain the safety and comfort of the residents.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	285.3	3,637.8	3,637.8
Other Appropriated Funds	4,919.8	1,836.4	1,836.4
Other Non-Appropriated Fund	2.8	4.2	4.2
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>5,207.9</b>	<b>5,478.4</b>	<b>5,478.4</b>
FTE Positions	115.8	115.8	115.8

**Strategic Issues**

**Strategic Issue Number: 1**

*Provide services to Arizona Pioneers*

In FY 2005 we would like to increase the census to the maximum capacity of 156 residents

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To provide resident care that meets the highest standards and state requirements set for long-term care facilities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Residents rating of good or excellent (percent).	98	98	98	98
● Average census .	140	120	120	156
● Number of citations from inspections.	0	2	0	0
● Monthly cost per resident (in dollars).	3,300	3,626	3,804	2,926
● Percent of deficiencies will be resolved in 30 days.	N/A	100	100	100

- ◆ Goal 2 - To maintain the optimum balance of pioneers and disabled miners.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of disabled miners in resident at all times.	12	12	12	12

- ◆ Goal 3 - To maintain the historic site and grounds while providing acceptable levels of care.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Submit and perform building maintenance and renewal projects to the Department of Administration annually.	7	2	2	2
● Building renewal projects completed.	2	2	2	1



**AGENCY SUMMARY  
ARIZONA RANGERS PENSION**

Janet Napolitano, Governor	RPA
Contact: Keith Fallstrom, OSPB Budget Analyst	(602) 542-5346
A.R.S. § 41-951	

**Agency Mission:**

To provide compensation for time spent as an Arizona Ranger.

**Agency Description:**

The Arizona Rangers' Pension provides monthly benefits for retired rangers and their surviving spouses.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	12.0	12.3	12.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>12.0</b>	<b>12.3</b>	<b>12.6</b>
FTE Positions	0.0	0.0	0.0

**Strategic Issues**

**Strategic Issue Number: 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.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To provide a monthly stipend to the one remaining Arizona Ranger's widow.

	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Stipend (in dollars).	11,800	12,000	12,300	12,600
● Widows.	1	1	1	1





**AGENCY SUMMARY**  
**ARIZONA DEPARTMENT OF VETERANS' SERVICES**

Patrick F. Chorpenning, Director VSA  
 Contact: Gabe Forsberg, Strategic Planner (602) 263-1805  
 A.R.S. § 41-601 et seq.

**Agency Mission:**

To advance the interests of Arizona veterans through advocacy, legislation, service, and community relationships.

**Agency Description:**

The Arizona Department of Veterans' Services (ADVS) assists veterans, their dependents, and/or survivors in developing and filing claims for federal entitlements in areas of disability, pension, insurance, burial, etc. through the U.S. Department of Veterans Affairs. The ADVS also provides fiduciary services to incapacitated veterans, surviving spouses, or minor children. In addition, the ADVS operates the Arizona State Veteran Home, a 200-bed skilled nursing facility, to provide long-term care services to veterans and their spouses. The ADVS is designated as the "State Approving Agency," and is responsible for approving and supervising all institutions and establishments in Arizona that offer education and training to veterans. The Agency opened a state veteran cemetery in Sierra Vista in December 2002, a facility built with a VA construction grant of \$7.7 million.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	1,651.2	1,635.3	1,985.4
➤ VETERANS' CONSERVATORSHIP/ GUARDIANSHIP (FIDUCIARY)	889.2	992.7	1,097.0
➤ VETERANS' SERVICES	883.2	943.6	1,266.5
➤ STATE VETERANS' HOME	10,278.8	10,991.2	12,090.3
Agency Total	13,702.4	14,562.8	16,439.2

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,328.5	2,165.1	2,900.3
Other Appropriated Funds	10,778.0	11,739.1	12,880.3
Other Non-Appropriated Fund	278.1	322.1	303.4
Federal Funds	317.8	336.5	355.2
Agency Operating Funds Total	13,702.4	14,562.8	16,439.2
FTE Positions	310.0	302.3	302.3

**Strategic Issues**

**Strategic Issue Number: 1**

*Arizona veterans requiring skilled nursing care are being underserved. ADVS must build additional state veteran homes in Arizona for veterans requiring skilled nursing care.*

ADVS currently operates a single 200-bed skilled nursing facility in Phoenix. The US Department of Veterans Affairs has documented Arizona's need for a maximum of 1,068 beds, using a nationwide funding formula. To quote the VA in its strategic plans since 1990, "The increasingly older veteran population will result in increased demand for long-term care, to include nursing homes and community health care

programs and services." The VA provides grants to states to pay for the construction of state operated veteran homes and provides a per diem for veterans at the facility after the facility is operational.

**Strategic Issue Number: 2**

*Census 2000 documented a 21.3% increase in the number of veterans over the 1990 census, demanding the expansion of various services.*

Veterans made up 15% of all Arizona civilians aged 18 and over in the latest census. Arizona is second only to Florida in the increase of veterans (nationally, the veteran population is decreasing by 3.9%). In addition to the veteran population growth, the Agency is experiencing a steady decrease in the number of volunteer services provided by veteran service organizations because their membership is aging. The increased customer base coupled with the marked decrease in qualified volunteers is a significant customer service issue.

**Strategic Issue Number: 3**

*Alliances must be built in order to unify veterans in the State.*

The agency is focusing its efforts on establishing relationships within the veteran community, lawmakers, other government agencies, and with the private sector. The coalitions that are built will be based upon the needs of Arizona veterans. Veterans service organizations in Arizona, if unified, have the potential to become a significant player at all levels of government.

**Strategic Issue Number: 4**

*A national veteran cemetery is located in north Phoenix and a state cemetery was opened last fall in Sierra Vista. ADVS must build additional state cemeteries in Arizona to serve the needs of an aging veteran population.*

ADVS opened the Southern Arizona Veterans Memorial Cemetery for business in December 2002. ADVS applied to the VA for a grant to build a cemetery in the northern part of the state to serve both the American Indian and other veteran populations in that part of the state. To quote the VA in its own strategic plans since 1990, "Annual veteran deaths are increasing and are expected to peak in 2008, creating greater demand for burial benefits..."

**Strategic Issue Number: 5**

*The State faces revenue decreases, due to the economy.*

The Department received less than 17% of its operating budget from the General Fund. The Department has developed the following financial strategies: seeking alternative revenue streams; expanding self-funded services; and maximizing efficiency of service delivery.

VSA.1 **PROGRAM SUMMARY**  
**ADMINISTRATION**

Contact: Timi Barrett, Chief Financial Officer  
 Phone: (602) 263-1822  
 A.R.S. § 41-601 et. seq.

**Program Mission:**

*To provide external customer service operating a state veterans cemetery and approving educational programs for veterans; and to provide internal agency-wide support by managing ADVS financial, human, and information technology resources.*

**Program Description:**

The Director's office is responsible for management of the entire Agency and is included in the Administration program; which includes financial services, information technology, human resources, legislation, strategic planning, executive communications, media and community relations, special events/ projects, and fund raising functions. The Department has a contract with the U.S. Department of Veterans Affairs to provide educational program

approvals administered by the ADVS Office of Veterans' Education (the State Approving Agency is also part of the Administration Program). The Southern Arizona Veterans Memorial Cemetery (SAVMC) opened in December 2002; the cemetery is included in the Administration program until a separate program is established.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	1,011.7	794.0	1,144.1
Other Appropriated Funds	43.6	182.7	182.7
Other Non-Appropriated Fund	278.1	322.1	303.4
Federal Funds	317.8	336.5	355.2
<b>Program Total</b>	<b>1,651.2</b>	<b>1,635.3</b>	<b>1,985.4</b>
FTE Positions	36.0	31.3	31.3

**Program Goals and Performance Measures:**

◆ 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 by using their Montgomery G.I. Bill benefits.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of program approvals accepted by VA.	99	100	99	99
● Percent of supervision visits completed within established time frames.	82	81	70	80
● Percent of approved actions completed within established VA time frames.	99	99	99	99
● Percent of technical assistance completed within established time frame.	100	100	100	100
● The rating achieved on the State Approving Agency self-evaluation and from the Joint Peer Review Group. ("Satisfactory" =the highest possible rating).	N/A	Satis.	Satis.	Satis.
● The satisfaction rating achieved on institution surveys. (Scale 1.0 low to 5.0 highest ).	4.4	4.32	4.3	4.4

◆ Goal 2 - To provide a final resting place at the Southern Arizona Veterans Memorial Cemetery that honors the memory of Arizona veterans and their dependents.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of casketed burials for both veterans and dependents (expressed as vets/dependents).	N/A	74/20	123/39	130/5
● Number of columbarium inurnments (expressed as veterans/dependents).	N/A	122/32	243/81	261/87

◆ Goal 3 - To ensure the availability of appropriated funds to benefit veterans.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● General fund appropriation appropriated per veteran (in dollars).	4.71	3.97	4.73	4.93
● Expenditures of federal dollars in Arizona by the U.S. Department of Veterans Affairs (VA). (in millions of dollars).	1,040	1,300	1,400	1,500
● The number of federal dollars per veteran entering the Arizona economy.	3,594	5,733	5,890	6,102
● Total federal dollars entering Arizona (military retiree pay for veterans residing in Arizona, VA expenditures in Arizona, and Veterans Employment Funding in Arizona from the Department of Labor) (in billions of dollars).	2.03	3.2	3.3	3.4
● Administration as a percentage of total agency budget.	8	6.9	8	8

◆ Goal 4 - To recruit, develop, and retain a capable and responsible staff dedicated to excellent customer service

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of agency staff turnover (covered positions) as reported by the Arizona Department of Administration.	56	26.47	35	35

VSA.2 PROGRAM SUMMARY  
**VETERANS' CONSERVATORSHIP/ GUARDIANSHIP (FIDUCIARY)**

Contact: Gary Noviello, Assistant Director/State Veterans' Fiduciary  
Phone: (602) 248-1554  
A.R.S. § 14-3203, 14-3301 and 41-605 et. seq.

**Program Mission:**

*To protect incapacitated veterans from exploitation and improve their quality of life.*

**Program Description:**

The Fiduciary Division manages a program that serves as guardian, conservator, or representative payee for incompetent 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, representative payee, or personal representative. Monthly revenues are deposited with the State Treasurer into a conservator fund, which is returned annually to the Agency through the budget appropriation process.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

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General Funds	433.6	427.5	489.7
Other Appropriated Funds	455.6	565.2	607.3
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>889.2</b>	<b>992.7</b>	<b>1,097.0</b>
FTE Positions	20.0	20.0	20.0

VSA.3	<b>PROGRAM SUMMARY</b> <b>VETERANS' SERVICES</b>
Contact: Arthur W. Brest, Jr., Assistant Director	
Phone: (602) 255-4183	
A.R.S. § 41-603 et. seq.	

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To maximize our clients' quality of life through the delivery of a wide array of professional services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of annual reports of guardian submitted by the due dates.	98	99	100	100
● Number of client visits.	Baseline	2,800	3,000	3,000

- ◆ Goal 2 - To maintain unrestricted certification from the Arizona Supreme Court.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Certified private fiduciary to client ratio.	1:30	1:28	1:25	1:25
● Human service specialist to client ratio.	1:44	1:42	1:50	1:50

- ◆ Goal 3 - To capture all client assets, maximize client monetary benefits, invest and expend client funds prudently, and to accurately report such financial activity to the courts in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of annual accountings submitted by the due dates.	100	100	100	100
● Percent of annual accountings approved on first submission.	100	100	100	100

- ◆ Goal 4 - To increase the number of clients served.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average monthly active caseload.	265	288	316	340
● Active caseload at end of fiscal year.	279	293	327	351
● Average monthly decedent caseload.	64	62	65	65
● Decedent caseload at end of fiscal year.	71	52	65	65

- ◆ Goal 5 - To increase the aggregate amount of protected clients' assets managed.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Aggregate amount of protected clients' assets at end of fiscal year (in millions).	19.5	20.4	21.5	22.5
● Aggregate excess of protected clients' revenues over expenses during the fiscal year ended (in thousands).	825.1	80.7	500.0	500.0

**Program Mission:**

To secure entitlements for veterans, their dependents, and survivors by continually improving our quality service.

**Program Description:**

The Veterans Service Division provides a network of Veterans Benefits Counselors (VBCs) who give information, counsel, and assistance to veterans, their dependents, and survivors in matters pertaining to federal and state benefits earned by honorable service in the armed forces of the United States. There are offices located in Flagstaff, Lake Havasu City, Phoenix, Prescott, Sierra Vista, Tucson, and Yuma. VBCs travel to all 15 Arizona counties, developing and filing 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	883.2	943.6	1,266.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>883.2</b>	<b>943.6</b>	<b>1,266.5</b>
FTE Positions	21.0	21.0	21.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To increase the VA monetary awards generated by claims and appeals filed by Veterans Benefits Counselors.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Monetary awards reported on VBC-filed claims and appeals (expressed in thousands of dollars).	57,186	80,745	89,000	98,000

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of customers rating the delivery of services as "good" to "excellent".	95	98	95	95

VSA.4	<b>PROGRAM SUMMARY</b> <b>STATE VETERANS' HOME</b>
Contact: John Tucker, Administrator	
Phone: (602) 248-1591	
A.R.S. § 41-608.01	

**Program Mission:**

*To serve America's heroes by providing compassionate, professional care in a comfortable home-like environment.*

**Program Description:**

The Arizona State Veteran Home (ASVH) provides integrated health services in order to maximize the quality of life for each resident and to 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. Programs are aimed at meeting long-term and short-term health care needs and encouraging wellness through preventive and rehabilitative services offered.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	10,278.8	10,991.2	12,090.3
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>10,278.8</b>	<b>10,991.2</b>	<b>12,090.3</b>
<b>FTE Positions</b>	<b>233.0</b>	<b>230.0</b>	<b>230.0</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To achieve recognition for innovation and excellence in long term care.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● DHS quality rating achieved. (excellent=1, standard=2, or substandard=3).	2	1	1	1
● The number of daily participants in the Adult Day Health Care program (40 is the maximum allowed by the license).	N/A	10	20	30

- ◆ Goal 2 - To maintain financial self-sufficiency, operating the facility without the use of Arizona taxpayer funds.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average annual occupancy rate (in percent).	96.75	94.8	96	96
● Annual cost of temporary (registry) staff (in thousands of dollars).	.4	0	1.6	1.6
● Average cost per patient day (in dollars).	N/R	155.43	155.00	155.00





Inspection & Regulation



**AGENCY SUMMARY  
BOARD OF ACCOUNTANCY**

Valerie Elliott, Executive Director ABA  
 Contact: Valerie Elliott, Executive Director (602) 364-0900  
 A.R.S. § 32-6

**Agency Mission:**

To protect the public's economic welfare by establishing and enforcing standards of qualification and accounting practice for persons certified as certified public accountants or public accountants and accounting firms registered by the Arizona State Board of Accountancy.

**Agency Description:**

The Accountancy Board regulates the profession of certified public accountants (CPAs) and public accountants (PAs) by ensuring that registrants conduct themselves in accordance with the Board statutes and rules, in order to protect the public from misstated or misleading financial statements and reports, upon which business decisions are made. The board processes applications and administers the semiannual American Institute of Certified Public Accountants (AICPA) Uniform CPA Examination; certifies applicants for licensure as Arizona CPAs and public accountants; registers accounting firms owned by CPAs and public accountants; and reviews applications for biennial renewal of certificates to determine compliance with the Board's laws and rules.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,598.8	2,122.2	2,113.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>1,598.8</b>	<b>2,122.2</b>	<b>2,113.0</b>
FTE Positions	10.0	10.0	10.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Statutory Changes*

The new statutory provision passed in the Legislative Session will become law on September 8, 2003. There were significant changes requiring implementation. These changes include, but are not limited to, substantial equivalency, limited reciprocity, firm ownership, investigations and public disclosure of complaints. The Board will need to revise rules and develop procedures to implement the new statutory provisions.

**Strategic Issue Number: 2**

*Rules*

The Board will need to revise its rules to reflect the changes to Arizona accountancy laws. The Board is beginning the process to review its rules and determine what changes are necessary. The Board will need to reflect changes due to the computerization of the CPA exam and addition of a Peer Review Program. On a national level, many boards of Accountancy have added an ethics course as part of the registrant's Continuing Professional Education requirement. The Board has established a task force to review the issue. In addition, the Board is scheduled for its Five Year Rule Review in late 2003.

**Strategic Issue Number: 3**

*Regulation of the Profession*

Per A.R.S. § 32-703, the Accountancy Board is responsible for the

establishment and maintenance of high standards of competence, independence and integrity of the practice of accounting by PAs and CPAs. To fulfill this responsibility, the Accountancy Board has dedicated resources to the investigation of complaints on a consistent basis since FY 1992. Many of these investigations involve allegations of major proportions filed with the agency against a CPA or a CPA firm, normally large international accounting firms. The Auditor General stated in the agency's Sunset Review the need for the Board to process complaints in a timely manner. The Board contracts with about ten investigative reviewers with different areas of expertise. In recent years, due to the intricacies of investigation, there was a need to establish an Accountancy Board Enforcement Unit to handle these investigations to ensure effectiveness and timeliness of prosecution. The appropriation for the investigation of complaints allows the Board to treat all registrants in the same manner, regardless of the complexity of the allegation.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To administer the qualifying AICPA Uniform CPA examination to persons who meet the requirements of A.R.S. Ch., Art., 32-723.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of exam applications received.	1,252	1,385	1,300	1,300
● Number of grade release packets sent.	1,103	1,161	1,200	1,200
● Number of successful candidates.	284	301	300	300

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of applications for certification.	435	332	400	350
● Number of certificates issued.	430	320	350	300
● Biennial renewal of certificates.	4,572	4,650	4,500	4,500
● Number of firms registered.	90	84	90	90
● Number of firm renewals annually.	409	478	400	400
● Percent of applicants reporting very good or excellent service.	85	80	87	87
● Average calendar days from receipt of completed application to issuance or denial of certificate.	90	90	60	60
● Number of licenses (new & existing).	11,306	11,629	11,750	12,000

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of complaints/violations processed annually.	254	335	400	400

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Average number of calendar days from receipt of complaint to resolution.	180	180	100	100
• Average calendar days per investigation from start to final adjudication.	180	180	120	120





**AGENCY SUMMARY  
ACUPUNCTURE BOARD OF EXAMINERS**

ANA

Contact: Deborah Malone, Chairman  
A.R.S. § 32-3901

(602) 364-0145

**Agency Mission:**

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

**Agency Description:**

The Board licenses and regulates acupuncturists, certifies auricular acupuncturists for detoxification or substance abuse programs, 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 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	59.8	75.3	72.7
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>59.8</b>	<b>75.3</b>	<b>72.7</b>
<b>FTE Positions</b>	<b>0.5</b>	<b>1.0</b>	<b>1.0</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*Preceptorship training program - to finalize the rules for these programs and initiate procedures for implementation.*

Short range plan - identify existing programs and bring into compliance; formulate regulatory procedures. Long range plan - monitor and regulate programs for compliance, identify viability of programs compared to national standards and future needs. Determine funding needs required to monitor programs.

**Strategic Issue Number: 2**

*Investigation of complaints. Currently there are no funds to investigate higher than anticipated complaints for licensed and unlicensed persons and training programs.*

To protect the health and welfare of the public is our number one concern. Unprofessional conduct of licensees requires substantial time and money to investigate. Disciplinary procedures need to be identified and implemented. Board members need to be trained in the process of those procedures and subsequent administrative law proceedings.

**Strategic Issue Number: 3**

*Consideration of including the practice of oriental medicine (herbs) in the scope of practice for licensed acupuncturists.*

The practice of oriental medicine (herbs) is commonly included with acupuncture treatments. National certification for the practice of herbs is available to practitioners. There is great interest in oriental medicine (herbs). Determining whether or not this should be under the scope of practice and the impact of such a change needs to be explored in detail.

**Agency Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of complaints received.	8	5	14	25
● Average time from receipt of complaint until resolution.	90	108	90	90

◆ Goal 2 - To ensure that disciplinary actions are handled in an efficient manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Licensees with one disciplinary action.	1	0	10	12
● Licenses revoked or suspended.	0	0	4	4
● Disciplinary or enforcement actions.	3	1	14	24
● Appeals.	0	0	2	2

◆ Goal 3 - To ensure that investigations are handled in an efficient manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of investigations conducted.	21	5	14	20
● Licensees with greater than one investigation.	2	1	5	8
● Percent of unlicensed practitioners brought into compliance.	65	100	100	100
● Percent of investigations resulting in disciplinary enforcement.	50	0	14	20
● Original rulings upheld.	2	0	2	2

◆ Goal 4 - To ensure that applications are handled in an efficient and effective manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of applications received.	54	48	65	70
● Average number of days from request for application to distribution.	60	60	60	60
● Number of renewals issued.	N/A	276	300	325
● Auricular Acupuncture Certificates Issued.	N/A	22	35	40



**AGENCY SUMMARY**  
**ARIZONA DEPARTMENT OF AGRICULTURE**

Donald Butler, Director AHA  
 Contact: Louise Houseworth, Strategic Planning & Budget Officer (602) 542-0952  
 A.R.S. § 3-101 et seq.

**Agency Mission:**

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

**Agency Description:**

The Department is mandated to regulate all aspects of agricultural production and processing within the State, educate industry to foster compliance with applicable regulations, promote the general welfare of the agricultural community, inform the consumer, and protect the public health and safety.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ FOOD SAFETY AND QUALITY ASSURANCE	5,820.9	6,434.7	6,434.7
➤ NON-FOOD PRODUCT QUALITY ASSURANCE	678.3	697.2	697.2
➤ ANIMAL DISEASE, OWNERSHIP & WELFARE PROTECTION	2,867.7	3,301.7	3,301.7
➤ PEST EXCLUSION AND MANAGEMENT	4,583.5	4,541.3	4,541.3
➤ NATIVE PLANT AND CULTURAL RESOURCES PROTECTION	186.7	249.6	249.6
➤ PESTICIDE COMPLIANCE & WORKER SAFETY	816.9	868.4	868.4
➤ ADMINISTRATIVE SERVICES	2,680.3	1,851.5	1,851.5
➤ STATE AGRICULTURAL LABORATORY	1,712.9	1,723.7	1,723.7
➤ AGRICULTURAL CONSULTATION AND TRAINING	2,209.5	2,500.7	2,500.7
➤ COMMODITY DEVELOPMENT AND PROMOTION	2,137.4	1,986.7	1,986.7
<b>Agency Total</b>	<b>23,694.1</b>	<b>24,155.5</b>	<b>24,155.5</b>

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	10,236.7	9,972.1	9,972.1
Other Appropriated Funds	2,168.3	2,673.5	2,673.5
Other Non-Appropriated Fund	8,229.7	9,340.9	9,340.9
Federal Funds	3,059.4	2,169.0	2,169.0
<b>Agency Operating Funds Total</b>	<b>23,694.1</b>	<b>24,155.5</b>	<b>24,155.5</b>
FTE Positions	381.7	366.9	366.9

**Strategic Issues**

**Strategic Issue Number: 1**

*Severe impacts have been made on the State Agricultural Laboratory's ability to perform complex analyses necessary to meet the Department's goals of serving its customers, meeting regulatory requirements and protecting the public's health and safety.*

A serious threat to the effectiveness of the Department's food, non-food, plant and pesticide regulatory programs exists where Laboratory staffing has been reduced and its annual capitalized equipment replacement program has been suspended. The State Agricultural Laboratory can only continue to provide appropriate analyses for regulatory, environmental and health-related samples if its equipment replacement schedule is funded. Timely, accurate and defensible laboratory results are required in support of any State regulatory action.

**Strategic Issue Number: 2**

*Information technology improvements are necessary for the efficiency and effectiveness of the Department's programs.*

Updated technology, aligned with the industry it serves, is required for the Department to optimize regulatory efforts and provide better customer service; however, delivering service within the Department is a serious challenge for its Information Technology Section. Antiquated programs require continual maintenance and take staff time away from design, development, testing and implementation of new, more efficient applications. Neither industry nor constituents are able to interact effectively on-line with self-inspection, licensing or program services, for example. Since information technology is the cornerstone of the Department's regulatory and customer service efforts, increased staff and funded programming improvements are required.

**Strategic Issue Number: 3**

*The Department's Animal Health and Welfare Program must focus on disease exclusion and rapid identification, public health and safety and emergency preparedness.*

Budget reductions threaten public health and the State's animal industries. Emerging animal diseases, some of which affect humans such as West Nile Virus, demand Department emergency preparedness and strengthened bio-security activities. Additionally, Department response to the growth of and changes in the self-inspection program and the agency licensing section, requires improved staffing and information technology resources.

**Strategic Issue Number: 4**

*The safety and security of our food supply at every level of the food chain is critical to public health as well as economic stability.*

The September 11, 2001 attacks revealed the crucial role the Department plays in Homeland Security as the State agency that is responsible for safeguarding citizens and the agricultural industry from pests and diseases. Where terrorist attacks crystallized the delicate balance in food supply safety, Homeland Security has spotlighted the singular importance of the Department in safeguarding the production, processing and delivery of food. Where, early on, anthrax attacks demonstrated how a disease primarily thought to affect animals can be used against humans, Homeland Security has spotlighted the singular importance of the Department in assuring the safety of our food supply. The Department's regulation of the feed, fertilizer, pesticide, meat, dairy and egg industries ensures consumer safety. Continual assessment of Department regulatory actions are the keys to prevention of terrorist activities that might involve the improper use, or addition, of foreign objects. Prevention of the occurrence of acts of agri-bioterrorism, acts which endanger human health, require funding for adequate staff and resources.

**Strategic Issue Number: 5**

*Without additional resources, the Pest Exclusion and Management Program, with its inspection duties along Arizona's borders, cannot maintain current statewide service nor provide heightened security service necessary for Arizona industry to thrive.*

The risk of plant and animal pest and disease infestation of Arizona products from expanding international market imports increases continually. Arizona's proximity to States with high-volume international

ports of entry, the high number of nationally quarantined items in trade-partner States and, now, the intentional introduction of pests by agri-bioterrorists, increases the Department's responsibility for safeguarding Arizona industry products. In recent months, numerous exotic pests were intercepted through the Pest Exclusion and Management Program and identified by the State Agricultural Laboratory that had never been intercepted in Arizona before. Cuts in funding of detection and exclusion program staff put at risk Arizona industries which must meet market qualification standards.

**Strategic Issue Number: 6**

*The reduction in Arizona Motor Vehicle Division staffing at the ports of entry has significantly decreased Department ability to detect, exclude and/or eradicate plant and animal diseases and pests, thereby increasing possible threats to Arizona.*

Currently, MVD inspectors are instrumental in supporting the Department in monitoring the movement of several plants and animals that serve as hosts for diseases and pests that may threaten Arizona's interests. Without full staffing and MVD support, the Department is required to place additional staff at the ports of entry, stretching its scarce resources even thinner. This has decreased the Department's ability to detect, exclude and/or eradicate plant and animal diseases and pests, thereby increasing possible threats to Arizona's interests and potentially resulting in substantial economic losses.

**Strategic Issue Number: 7**

*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 of these agreements. Typically, required State match for agreements ranges from 15 - 50%. This means the State must have 15 - 50% of the total 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.

AHA.1 PROGRAM SUMMARY  
**FOOD SAFETY AND QUALITY ASSURANCE**

Contact: Dr. John W. Hunt, DVM, Associate Director  
Phone: (602) 542-7186  
A.R.S. § 3-101 et seq

**Program Mission:**

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

**Program 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**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,267.7	1,311.4	1,311.4
Other Appropriated Funds	1,176.3	1,496.2	1,496.2
Other Non-Appropriated Fund	2,787.9	2,903.6	2,903.6
Federal Funds	589.0	723.5	723.5
<b>Program Total</b>	<b>5,820.9</b>	<b>6,434.7</b>	<b>6,434.7</b>

FTE Positions	116.5	115.0	115.0
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AHA.1.1 SUBPROGRAM SUMMARY  
**ANIMAL PRODUCTS FOOD SAFETY AND QUALITY INSPECTION**

Contact: Dart Easterday, Administrator  
Phone: (602) 542-0869  
A.R.S. § 3-101 et seq.

**Subprogram Mission:**

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

**Subprogram 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 is also inspected for quality and safety.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,267.7	1,311.4	1,311.4
Other Appropriated Funds	430.1	488.2	488.2
Other Non Appropriated Fund	52.1	43.2	43.2
Federal Funds	589.0	723.5	723.5
<b>Subprogram Total</b>	<b>2,338.9</b>	<b>2,566.3</b>	<b>2,566.3</b>
<b>FTE Positions</b>	<b>37.5</b>	<b>36.0</b>	<b>36.0</b>

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
	• 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.	45	47	47	47
• Number of pounds of fluid milk removed from sale by inspectors due to non-compliance with regulations.	317,067	353,180	375,000	375,000
• Total number of wholesale and retail egg inspections.	366	1,603	3,000	3,000
• Number of documented food-borne bacteria outbreaks linked to Arizona state-inspected dairy facilities.	0	0	0	0

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of individual shell eggs inspected under State inspection.	42,724	138,295	400,000	800,000
● Percent of meat and poultry product tests in compliance with bacteria, drug and chemical residue requirements.	94.2	99	99	99
● Total number of dairy-related inspections.	860	928	975	975
● Number of egg dozens retained by inspectors for non-compliance with State standards.	6,785	22,141	147,540	250,000
● Number of documented food-borne bacteria outbreaks linked to eggs or egg products sold within Arizona.	0	0	0	0

**Subprogram 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.*

**Subprogram Description:**

This subprogram inspects the quality of fresh produce in accordance with standards established either by the State of Arizona or the United States Department of Agriculture (USDA). State inspections are industry-funded and aid the Arizona citrus and fruit and vegetable industries, including growers, shippers, dealers, and commission merchants in complying with product quality standards. The purpose of state inspections is to ensure that any produce marketed within or exported from Arizona conform to state quality standards established for each commodity. Inspections encompass several areas, including quality, maturity, processing, labeling, storage, handling, and refrigeration of products. 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). 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. Federal/state inspectors also inspect watermelons and other identified produce entering Arizona from Mexico according to state quality standards.

AHA.1.2 SUBPROGRAM SUMMARY  
**FRESH PRODUCE STANDARDIZATION AND INSPECTION**

Contact: Jim Nowlin, Assistant Director  
Phone: (602) 542-0947  
A.R.S. § 3-101 et seq.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	746.2	1,008.0	1,008.0
Other Non Appropriated Fund	2,735.8	2,860.4	2,860.4
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>3,482.0</b>	<b>3,868.4</b>	<b>3,868.4</b>
FTE Positions	79.0	79.0	79.0

**Subprogram Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of federal-state inspections.	47,873	50,084	50,000	50,000
● Number of hours devoted to site inspections or monitoring activities (excludes driving time and paperwork).	7,561	7,691	8,000	8,000
● Number of cartons shipped by industry (in millions).	117.0	97.0	100.0	100.0
● Number of inspected cartons rejected.	4,605	3,351	5,000	5,000
● Number of citrus, fruit & vegetable inspections.	37,496	38,769	40,000	40,000
● Percent of industry satisfied that the level of inspection ensures that only quality produce reaches the market.	N/A	N/A	95	95

**AHA.2 PROGRAM SUMMARY**  
**NON-FOOD PRODUCT QUALITY ASSURANCE**

Contact: Jack Peterson, Associate Director  
 Phone: (602) 542-3575  
 A.R.S. § 3-101 et seq.

**Program Mission:**

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

**Program Description:**

This program serves to assure public confidence in the quality of feed, fertilizer, pesticide and seed products. Pesticides include, but are not limited to, traditional crop protection agents, swimming pool chemicals, pet pest treatments, and household cleaners. 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, forage, and seed dealers and labelers. Secondly, enforcement activities are conducted by inspectors who confirm product registrations and dealer 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	678.3	697.2	697.2
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>678.3</b>	<b>697.2</b>	<b>697.2</b>
FTE Positions	10.5	10.5	10.5

**Program Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer survey rating of overall program (ESD).	N/A	N/A	3	3.2
● Total number of all ESD applications received.	5,977	5,912	6,000	6,000
● Weighted time average in calendar days from receipt of completed application to issuance or denial of all requests within a required time frame.	N/A	17	16	15

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of regulatory actions taken.	328	386	330	330

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of inspections conducted.	785	825	800	800
● Number of feed, fertilizer, pesticide and seed labels inspected in the market place.	10,354	8,953	10,750	11,000
● Number of feed, fertilizer, pesticide and seed samples collected.	1,613	1,563	1,850	1,850
● Number of samples found deficient through laboratory analysis.	110	145	150	160

**AHA.3 PROGRAM SUMMARY**  
**ANIMAL DISEASE, OWNERSHIP & WELFARE PROTECTION**

Contact: Dr. John W. Hunt, DVM, Associate Director  
 Phone: (602) 542-7186  
 A.R.S. § 3-101 et seq.

**Program Mission:**

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

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,901.6	2,016.4	2,016.4
Other Appropriated Funds	34.6	88.6	88.6
Other Non-Appropriated Fund	836.9	862.0	862.0
Federal Funds	94.6	334.7	334.7
<b>Program Total</b>	<b>2,867.7</b>	<b>3,301.7</b>	<b>3,301.7</b>
FTE Positions	40.9	39.8	39.8

**Program Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of custom exempt and home processing inspections.	N/A	930	900	900
● Number of strays - animal at large investigations.	N/A	1,528	1,500	1,500
● Number of animal care investigations.	N/A	981	1,000	1,050
● Number of theft investigations.	N/A	30	30	30

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of livestock movement inspections (range cattle form 1).	N/A	3,065	3,100	3,100
● Number of self inspections.	N/A	7,955	8,000	8,500

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of quarantine sites in Arizona for all diseased livestock and fish.	2	4	6	6
● Number of cases of secondary spread from quarantine sites of diseased livestock and fish.	0	0	0	0
● Number of cases of equine infectious anemia.	0	0	0	0
● USDA disease status for Arizona for bovine brucellosis and tuberculosis, and swine pseudorabies.	Free	Free	Free	Free

General Funds	3,709.0	3,447.7	3,447.7
Other Appropriated Funds	21.4	21.4	21.4
Other Non-Appropriated Fund	452.4	556.4	556.4
Federal Funds	400.7	515.8	515.8
<b>Program Total</b>	<b>4,583.5</b>	<b>4,541.3</b>	<b>4,541.3</b>
<b>FTE Positions</b>	<b>106.2</b>	<b>110.2</b>	<b>110.2</b>

**Program Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of pest interceptions within the state interior.	5,744	7,718	8,000	8,000
● Number of interceptions resulting in enforcement actions within the state interior.	661	327	400	430

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● USDA rating on Federal pest status of the Fruit Fly in Arizona.	Pest-free	Pest-free	Pest-free	Pest-free
● USDA rating on Federal pest status of the Gypsy Moth in Arizona.	Pest-free	Pest-free	Pest-free	Pest-free
● Number of weed management areas established in cooperation with governmental and private entities.	17	18	20	25
● Number of trucks rejected at all ports.	17,919	23,528	25,000	26,500
● USDA rating on Federal pest status of the Red Imported Fire Ant in Arizona.	Pest-free	Pest-free	Pest-free	Pest-free
● Number of pest interceptions at all ports.	15,998	21,329	23,000	24,000
● USDA rating on Federal pest status of Khapra beetle in Arizona.	Pest-free	Pest-free	Pest-free	Pest-free
● USDA rating on Federal pest status of Japanese beetle in Arizona.	Pest-free	Pest-free	Pest-free	Pest-free
● Percent of inspected trucks rejected at ports.	Baseline	13	12.5	12

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of federal phytosanitary certificates written.	4,956	5,796	6,000	6,500

AHA.4 PROGRAM SUMMARY  
**PEST EXCLUSION AND MANAGEMENT**  
 Contact: G. John Caravetta, Associate Director  
 Phone: (602) 542-0996  
 A.R.S. § 3-101 et seq.

**Program Mission:**

*To ensure the provision of pest-free agricultural products and protect the public from agricultural pests through prevention, control, and eradication, thereby also reducing the necessity of pesticide applications.*

**Program 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 under the direction of the Quarantine Program through the concerted efforts of the Port of Entry and Interior Operations 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 department's regulatory function. Specifically, the Ports of Entry function as Arizona's first line of defense in pest exclusion efforts. In addition, Interior Operations 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. The Quarantine/Nursery Program works closely with the Ports and Interior Operations to 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 Amounts:**

(\$ Thousands)		
FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

**AHA.5 PROGRAM SUMMARY  
NATIVE PLANT AND CULTURAL RESOURCES  
PROTECTION**

Contact: Jack Peterson, Associate Director  
Phone: (602) 542-3575  
A.R.S. § 3-101 et seq.

**Program Mission:**

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

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	152.3	249.6	249.6
Other Non-Appropriated Fund	34.4	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>186.7</b>	<b>249.6</b>	<b>249.6</b>
FTE Positions	5.0	5.0	5.0

**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of criminal referrals received.	N/A	N/A	66	68
• Number of civil referrals received.	N/A	N/A	12	15
• Number of investigations opened.	N/A	N/A	102	105
• Percent of investigations completed.	N/A	N/A	75	75
• Number of native plant cases successfully prosecuted.	N/A	N/A	15	15

**AHA.6 PROGRAM SUMMARY  
PESTICIDE COMPLIANCE & WORKER SAFETY**

Contact: Jack Peterson, Associate Director  
Phone: (602) 542-3575  
A.R.S. § 3-101 et seq.

**Program Mission:**

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

**Program Description:**

This program seeks to ensure the proper use and application of

crop protection products. Inspectors confirm compliance with laws and rules by monitoring pesticide use. In addition, training and testing is provided to private and commercial pesticide applicators to ensure competency for certification.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	453.0	514.6	514.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	40.2	40.2
Federal Funds	363.9	313.6	313.6
<b>Program Total</b>	<b>816.9</b>	<b>868.4</b>	<b>868.4</b>
FTE Positions	16.8	15.8	15.8

**Program Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of worker safety issues addressed during inspections.	11,210	9,652	10,000	10,000
• Number of worker safety issues identified as being out of compliance.	339	477	345	347

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of pesticide use inspections.	303	222	225	225
• Number of inspection issues identified as pesticide misuse.	161	108	110	110

**AHA.7 PROGRAM SUMMARY  
ADMINISTRATIVE SERVICES**

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

**Program Mission:**

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

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,537.7	1,384.5	1,384.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	173.2	446.0	446.0
Federal Funds	969.4	21.0	21.0

Program Total	2,680.3	1,851.5	1,851.5
FTE Positions	30.8	22.6	22.6

**Program Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration as a percent of total cost.	8.3	8.7	7.6	7.6
● Percent of agency staff turnover.	30.3	19.9	20.0	20.0
● Percent of employee travel claims correctly processed within ten days.	99.1	98.7	100	100
● Percent of vendor invoices paid within 30 days.	100	100	100	100

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of forms offered on line.	11	11	15	20
● Number of value added transactions identified and ready for the Internet.	0	0	11	15

**Program Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of "high priority" samples.	3,053	2,890	3,000	3,000
● Number of "high priority" sample analyses completed by the due date.	2,586	2,646	2,500	2,400
● Percent of overall customer satisfaction rating for laboratory services.	95	96	89	87
● Percent of customer satisfaction rating regarding the lab's "timely delivery of service".	83	93	83	81

AHA.9 PROGRAM SUMMARY  
**AGRICULTURAL CONSULTATION AND TRAINING**

Contact: Brett Cameron, Assistant Director  
Phone: (602) 542-0984  
A.R.S. § 3-101 et seq.

**Program Mission:**

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

**Program Description:**

Through requested On-site Visits (OSV), program staff provide 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 administering. No regulatory actions may be taken as a result of the OSV, except in cases of imminent danger. The final product of the OSV is a comprehensive, detailed report outlining recommendations to increase compliance with specific issues of regulatory concern. This program was first established in FY 1995.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	139.9	130.8	130.8
Other Appropriated Funds	62.1	63.7	63.7
Other Non-Appropriated Fund	1,960.5	2,241.7	2,241.7
Federal Funds	47.0	64.5	64.5
Program Total	2,209.5	2,500.7	2,500.7
FTE Positions	5.0	6.0	6.0

**Program Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of agricultural consultation and training compliance issues addressed.	2,435	4,606	4,258	4,258

AHA.8 PROGRAM SUMMARY  
**STATE AGRICULTURAL LABORATORY**

Contact: Dwight Harder, Assistant Director  
Phone: (602) 253-1920  
A.R.S. § 3-101 et seq.

**Program Mission:**

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

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,104.6	1,166.7	1,166.7
Other Appropriated Funds	43.3	56.8	56.8
Other Non-Appropriated Fund	166.4	385.2	385.2
Federal Funds	398.6	115.0	115.0
Program Total	1,712.9	1,723.7	1,723.7
FTE Positions	28.5	21.5	21.5



Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Concentrated Nutrient Management Plans developed.	N/A	N/A	Baseline	N/A
● Number of worker protection standard individuals trained in English.	99	123	200	200
● Number of operations receiving assistance.	N/A	N/A	Baseline	N/A
● Number of Worker Protection Standard individuals trained in Spanish.	963	1,113	1,200	1,200
● Number of compliance issues needing correction.	N/A	1,835	1,670	1,670
● Number of follow-up on-site visits.	N/A	N/A	Baseline	N/A
● Number of outreach and education seminar and workshop participants (to separate numbers for worker protection standard, animal feeding operations, and air quality, the 'district' field will be used).	N/A	N/A	Baseline	N/A
● Number of on-site visits.	N/A	98	115	115

◆ Goal 2 - To fulfill the purpose of A.R.S. 41-511.23(G).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of grant applications.	N/A	N/A	Baseline	N/A
● Number of grants awarded.	N/A	N/A	Baseline	N/A
● Average amount of grant award (dollars).	N/A	N/A	Baseline	N/A
● Number of grant criteria public comment workshop participants.	N/A	N/A	Baseline	N/A

reflect employees of the Arizona Cotton Research and Protection Council.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	123.2	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	1,818.0	1,905.8	1,905.8
Federal Funds	196.2	80.9	80.9
<b>Program Total</b>	<b>2,137.4</b>	<b>1,986.7</b>	<b>1,986.7</b>
<b>FTE Positions</b>	<b>21.5</b>	<b>20.5</b>	<b>20.5</b>

**Program Goals and Performance Measures:**

◆ Goal 1 - To increase awareness of Arizona products, locally, nationally and internationally through the Arizona Grown Program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of producers actively participating in the Arizona Grown program.	159	172	180	190
● Number of international trade shows and missions.	2	7	8	10
● Number of businesses reporting international sales data.	7	2	6	7
● Number of international buyers and sellers contacted with promotional materials.	731	796	850	900



AHA.10 PROGRAM SUMMARY  
**COMMODITY DEVELOPMENT AND PROMOTION**  
 Contact: Stephanie L. Proper, Program Manager  
 Phone: (602) 542-0978  
 A.R.S. § 3-101 et seq.

**Program Mission:**

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

**Program Description:**

This program fosters economic growth in Arizona by providing marketing services that stimulate domestic and international consumption of Arizona farm and food products by educating consumers about the advantages of selecting Arizona grown foods and fibers. International efforts include: marketing international opportunities for Arizona's farmers, ranchers and food processors; participating at international food tradeshows; and managing the Department's involvement in the various committees of the Arizona-Mexico Commission.

\*Note: 18.5 of the FTE positions shown each year in this program

**AGENCY SUMMARY  
BOARD OF APPRAISAL**

Deborah G. Pearson, Executive Director APA  
 Contact: Deborah G. Pearson, Executive Director (602) 542-1593  
 A.R.S. § 32-3601 et seq.

**Agency Mission:**

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

**Agency 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 Board. In addition to protecting the interests of the general public, the Board provides services for the appraisers, course providers, property tax agents, other state appraisal boards, and lending institutions. These functions are accomplished through implementation and enforcement of the provisions of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, and state statutes applicable to real estate appraisers and property tax agents.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	458.6	484.1	474.9
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>458.6</b>	<b>484.1</b>	<b>474.9</b>
FTE Positions	4.0	4.0	4.0

**Strategic Issues**

**Strategic Issue Number: 1**

*The agency's statutes and rules require updating to make them consistent with the federal laws, which the agency also enforces.*

The agency will need to update its statutes and rules to make them consistent with federal laws which the agency also enforces. The 11/23/99 and 1/27/03 audits by the Appraisal Subcommittee recommended that the inaccuracies and conflict in the statutes be corrected. The statutes will need to be changed to recover the investigative and hearing expenses. The 8/03 Performance Audit by the Office of the Auditor General recommended that the Board seek the authority to recover these costs. The agency will need to amend its statutes to include a Trainee Real Property Appraiser Classification. The Board is in the process of changing its rules to adopt the current Real Property Appraiser Qualification Criteria established by the Appraisal Subcommittee. The agency will seek to raise the cap for Board fees. Based on the advise of the Board's budget analyst, the additional fees are necessary to maintain a healthy Board of Appraisal Fund. The agency also needs to raise the cap for Board member compensation to bring the compensation in line with other Board size and workload. The Board is in the process of updating its disciplinary rules pursuant to A.R.S. § 32-3605(B)(10) adopted 8/2/02.

**Agency Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of complaints received against appraisers.	216	247	215	200
● Number of complaint resolutions.	166	192	185	190
● Appraisers with more than one complaint filed.	32	23	20	15

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average days from receipt of application to test approval.	25	25	25	25
● Average days from receipt of test scores to licensure/ certification.	2	2	2	2
● Average days from receipt of non-resident application to licensure/certification.	2	2	2	2
● Percent receiving licenses/ certificates per applications received.	95	90	90	90

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Disciplinary actions.	99	35	80	75
● Recidivism rate for those receiving disciplinary action.	12	5	10	8
● Average days from receipt of complaint to resolution.	125	112	110	105
● Average annual backlog of non-current cases.	17	5	8	5

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Processing days from receipt of registration until name appears on list.	1	1	1	1
● Days from receipt of renewal form until the list is updated.	1	1	1	1
● Number of licensees (new and existing).	2,135	1,938	2,000	2,050
● Administration as percent of total cost.	1.4	1.4	2.2	2.2

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Customer satisfaction rating (scale 1-8).	6.0	6.0	7.0	8.0



**AGENCY SUMMARY**  
**ARIZONA MEDICAL BOARD**

Barry A. Cassidy, Ph.D., PA-C, Executive Director MEA  
Contact: Sandra Waitt, MPA, Information (480) 551-2782  
Systems Analyst  
A.R.S. § 32-1421 to 32-1429, 32-1451 et. seq., 32-14

**Agency Mission:**

To protect the public through the judicious licensing and regulation of physicians.

**Agency Description:**

The Arizona Medical Board regulates the allopathic medical profession in the State of Arizona. The Agency processes licenses and monitors approximately 16,000 physicians and over 1,000 physician assistants, and handles more than 1,200 complaints each year. The Board also provides administrative support to the Arizona Regulatory Board of Physician Assistants. The two boards determine and administer disciplinary action in the event of proven violations of the practice acts. The Agency responds to and provides information to more than 100,000 requests for public information annually. In addition to licensing quality healthcare providers and protecting the public through disciplinary actions, furnishing accurate and timely information is the second most vital service the Agency provides.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	4,696.2	4,752.2	4,591.2
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	4,696.2	4,752.2	4,591.2
FTE Positions	58.5	58.5	58.5

**Strategic Issues****Strategic Issue Number: 1**

*Provide the education and resources necessary for the public to make informed healthcare decisions.*

Developing an effective public outreach campaign involves the use of several mediums targeted at a variety of groups in different areas of the state. Unlike advertising, public outreach does not require a large amount of money, but rather, an abundance of specialized contacts that are targeted for their reach to large and diverse population. Additionally, good public outreach campaigns depend upon an equally diverse message, making the Board's role of interest to a variety of people. The agency's public outreach campaign proposal identifies a number of formats the Board can use to reach Arizona citizens including: interactive videos and website media center, newsletters and pamphlets, a speakers bureau and public service announcements.

**Strategic Issue Number: 2**

*Streamline and automate the licensure and license renewal process by incorporating on-line applications and renewals, proactively gather primary source verification documents, and add on-line payment options.*

During the past fiscal year the agency normalized the database and moved from an object-oriented to a person-oriented system. This step was necessary to develop a uniform method for retrieving uniform information from the database. The agency will further enhance this system with a web-based application that will provide on-line license application and

renewal systems, automated primary source verifications, and on-line options to pay for a medical license. The license renewal process will also become more efficient with e-mail reminders, on-line renewal forms, and on-line payments – streamlining a large portion of the work needed to process over 17,000 renewal forms. In the future, as the Board addresses continuing education requirements, on-line educational and testing programs will also be available.

**Strategic Issue Number: 3**

*Continue to enhance interactive electronic communications to drive the delivery of business processes and services to the public and licensees.*

During the past year, the Information Technology center focused primarily on refining the document imaging process for scanning Board meeting materials and licensee files. The agency also began an extensive redesign of its website to promote two-way communication with the public, physicians, hospitals, credentialing verification organizations, and medical associations. In the near future, staff will design an intranet to disseminate information quickly and accurately among staff and Board members, host an on-line employee evaluation system, and post various educational and professional development resources. It will also develop a web-based licensing system to further streamline the licensing process, and an automated public records request and retrieval system. The agency will also enhance the investigation portion of the database by expanding the document imaging component and automating its investigative and compliance tracking processes. The changes made to the investigative portion of the database will also tie into an on-line complaint filing and tracking system. Finally, the Information Technology center will complete the financial component of the database that will create a web-based application to encompass the agency's operational and financial systems.

**Strategic Issue Number: 4**

*Due to Arizona's increasing population and changing health care needs, the agency will partner with educational institutions and other healthcare associations to research physician workforce issues.*

The Board continually strives to proactively explore policies effecting health care delivery. By partnering with Arizona's educational institutions and other health care associations, the Board will play an integral part in future public policy making. In recent years, there has been growing concern regarding the dichotomy of Arizona's increasing population and its decreasing physician population, particularly in rural demographic areas. Two research projects currently underway include a study on tracking movement and retention of Arizona's medical school graduates and another on the impact facing communities due to physicians leaving practice, by Board disciplinary action or by physician choice. In addition to effecting public policy making, the research will indicate critical issues that can be addressed by the Board's public information campaign.

**Strategic Issue Number: 5**

*Develop an effective investigative and adjudication process that relies on evidence-based medicine, critical case identification and prioritization, communication with complainants and licensees, and stringent compliance monitoring.*

The Board's investigation and compliance-monitoring processes are arguably the Board's most publicly visible and analyzed processes. By focusing on improving the quality of its medical investigations, triaging its most severe cases, documenting workflow processes and tracking investigator case loads, the Board has developed a model regulatory system. Internal evaluations of the Board's Enforcement Center resulted in the development of four enforcement divisions – ethics and morals, quality of care, compliance, and the Monitored Aftercare Program – that specialize in the investigation and monitoring of identified cases. The Board expects that the creation of these new divisions will decrease case investigation and adjudication timeframes while increasing the quality of its investigations. Additionally, as part of the new investigative process, licensees will automatically receive certain enumerated case materials with their notices for formal interviews. These materials, which had to be requested in the past, will assist licensees in their preparations for Board meetings. Finally, the Board revised its adjudication process to include three stages – investigation, Staff Investigation Review Committee, and the

Board. The revised adjudication process will also contribute to reduced investigative timeframes and streamlined agency operations.

**Agency Goals and Performance Measures:**

◆ Goal 1 - To evaluate and improve components of the licensing process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of active licensees (M.D.).	15,606	16,311	16,800	17,304
● Number of active licensees (P.A.).	911	1,042	1,073	1,105
● Applications received by mail (M.D.).	1,032	1,080	890	802
● Applications received on-line (M.D.).	N/A	N/A	222	344
● Applications received by mail (P.A.).	148	214	220	227
● Percent of application requests responded to within 2 days.	100	100	100	100
● Percent of applicants provided with deficiency reports within 30 days.	100	100	100	100
● Licenses issued (M.D.).	1,018	1,222	1,093	1,117
● Licenses issued (P.A.- Active).	182	201	207	213
● Licenses issued (P.A.- Temporary).	45	58	55	50
● Applications denied (M.D.).	3	1	1	1
● Applications denied (P.A.).	1	0	1	1
● Resident permits issued.	980	1,058	1,071	1,093
● Miscellaneous licenses issued.	76	80	82	85
● Dispensing certificates issued.	508	401	413	425
● P.A. supervision notifications processed.	462	530	546	562
● Average number of days to process an initial license (upon receipt of completed application) (M.D.).	10	2	2	2
● Biennial renewals received (M.D.).	7,687	7,932	8,170	8,415
● Annual renewals received (P.A.).	934	1,046	1,077	1,109
● Biennial renewals issued (M.D.).	7,249	7,556	7,783	8,016
● Annual renewals issued (P.A.).	812	627	646	665
● Biennial licenses not renewed (M.D.).	378	487	504	519
● Annual licenses not renewed (P.A.).	51	45	46	48
● Average number of days to process a renewal (upon receipt of completed application) (M.D.).	1	1	1	1

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average score on licensing customer service satisfaction surveys (scale of 1-8).	7.36	7.94	7.5	7.55

◆ Goal 2 - To evaluate and improve critical components of complaint investigation process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints received (M.D.).	1,260	1,256	1,507	1,658
● Complaints received (P.A.).	38	21	23	25
● Investigations opened (M.D.).	778	952	1,507	1,658
● Investigations opened (P.A.).	38	20	23	25
● Investigations remaining open at fiscal year end (M.D.).	626	476	423	400
● Investigations remaining open at fiscal year end (P.A.).	10	13	6	6
● Percent of open investigations greater than 6 months old (M.D.).	32	14	12	11
● Percent of open investigations greater than 6 months old (P.A.).	20	15	14	12
● Percent of open investigations greater than 12 months old (M.D.).	8	4	3	2
● Percent of open investigations greater than 12 months old (P.A.).	0	8	5	4
● Average number of days to complete an investigation (M.D.).	226	208	180	170
● Average number of days to complete an investigation (P.A.).	163	221	200	180
● Average score on enforcement customer service satisfaction surveys (scale of 1-8).	6.70	7.53	7.25	7.30

◆ Goal 3 - To evaluate and improve critical components of the adjudication process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Disciplinary orders issued (M.D.).	100	120	110	110
● Disciplinary orders issued (P.A.).	4	5	5	5
● Non-Disciplinary orders issued (M.D.).	18	15	20	20
● Non-Disciplinary orders issued (P.A.).	N/A	3	3	3
● Advisory Letters issued (M.D.).	49	56	50	50
● Advisory Letters issued (P.A.).	4	3	3	3
● Dismissals issued (M.D.).	1,147	733	1,307	1,458
<i>Beginning FY04, the Board will open every complaint received.</i>				
● Dismissals issued (P.A.).	32	22	19	15

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cases referred to formal hearing (M.D.).	10	26	20	20
● Cases referred to formal hearing (P.A.).	2	0	1	1
● Average number of days to resolve a case (M.D.).	269	264	220	200
● Average number of days to resolve a case (P.A.).	289	263	250	240

◆ Goal 4 - To evaluate and improve critical components of the compliance process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of M.D.s monitored for compliance.	207	221	237	253
● Number of P.A.s monitored for compliance.	2	5	4	5
● Number of cases referred to the Board due to non-compliance (M.D.).	2	4	3	3
● Number of cases referred to the Board due to non-compliance (P.A.).	0	0	1	1
● Number of cases resulting in adverse action due to non-compliance (M.D.).	2	0	2	2
● Number of cases resulting in adverse action due to non-compliance (P.A.).	0	0	0	0
● Number of final orders terminated due to non-compliance (M.D.).	2	4	3	3
● Number of final orders terminated due to non-compliance (P.A.).	1	0	1	1
● Number of orders amended due to non-compliance (M.D.).	2	0	1	1
● Number of orders amended due to non-compliance (P.A.).	0	0	0	1
● Average score on compliance customer service satisfaction surveys (scale of 1-8).	6.70	7.87	7.25	7.30

◆ Goal 5 - To develop educational information and assessment tools utilizing multi-media solutions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Informational pamphlets developed.	N/A	5	3	3
● Public speaking presentations.	N/A	5	10	10
● Articles written for publications.	N/A	12	15	15
● New educational materials posted to website.	N/A	6	4	4

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction with on-line physician education programs (scale of 1-8).	N/A	N/A	7.00	7.25
● Agency media releases sent to outside organizations (M.D.).	N/A	13	15	15
● Agency media releases sent to outside organizations (P.A.).	N/A	5	5	5
● Profiles provided.	17,772	85,484	90,000	100,000

*As of FY03, this measure is accurately tracked through website software.*

● Profiles accessed on-line by external sources (in thousands).	1,624.5	3,110.6	3,500.0	4,000.0
<i>As of FY03, this measure is accurately tracked through website software.</i>				
● Healthcare Provider Profiles accessed on-line at <a href="http://docfinder.state.az.us">http://docfinder.state.az.us</a> .	N/A	10,521	860,040	900,000
<i>Website developed June FY03. This measure is accurately tracked through website software.</i>				
● Number of Internet hits at <a href="http://www.azmdboard.org">www.azmdboard.org</a> . (in thousands)	1,624.5	9,281.2	10,580.0	13,813.0
● Public record requests (M.D.).	1,082	871	750	700
● Public record requests (P.A.).	15	35	40	40
● Percent of requests processed within 10 days.	96	100	100	100
● Public e-mails received at <a href="mailto:questions@azmdboard.org">questions@azmdboard.org</a> .	971	1,421	2,132	3,198
● Percent of initial public e-mail answered within 48 hours.	96	97	97	97
● Verifications processed.	1,700	1,616	1,531	1,457
● Percent of verifications processed within 2 days.	100	100	100	100
● Average number of days to respond to external surveys.	1.5	1.5	2	2
● Average score on public information customer service satisfaction surveys (scale of 1-8).	7.36	8.00	7.50	7.55
● Number of public record requests received (in thousands).	1.1	.85	.75	.70

◆ Goal 6 - To evaluate and analyze healthcare issues affecting our regulatory framework.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of healthcare issues brought for Board discussion.	5	4	3	3
● Percent of statutory changes approved in legislation.	100	100	100	100
● Percent of rules proposed and adopted within an 8 month timeframe.	100	100	100	100

◆ Goal 7 - To maintain agency technical infrastructure.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Provide system access and training to new users within 3 days of start date.	100	99.1	99.3	99.4
● Percent of month that full network system uptime standard is met.	95	97.4	97.5	98

◆ Goal 8 - To provide fiscal services in support of agency goal.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of invoices and related claims processed within 4 business days.	95	97	95	95
● Percent of personnel actions entered within appropriate timeframe.	95	96	95	95
● Percent of supply requests processed within 1 business day.	95	98	98	98
● Percent of incoming revenue/deposits processed the same day.	95	100	100	100
● Average score of agency-wide customer service satisfaction surveys. (Scale of 1-8).	7.03	7.835	7.375	7.425

*This measure represents the average customer satisfaction survey results for each department.*

◆ Goal 9 - To expand professional development and learning programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of innovative training/development programs proposed.	7	7	4	5
● Number of innovative training/development programs completed.	4	6	3	4
● Number of performance feedback surveys completed.	0	0	50	60
● Number of training requests received.	N/A	84	90	95
● Number of training requests approved.	N/A	84	90	95
● Percent of staff completing training/continuing education/development per year.	55	35	65	70
● Position Description Questionnaires reviewed and/or updated.	14	22	25	30



**AGENCY SUMMARY  
STATE BANKING DEPARTMENT**

Richard C. Houseworth, Superintendent of Banks BDA  
 Contact: Kevin McCullough, Assistant (602) 255-4421  
 Superintendent of Banks  
 A.R.S. § 6-110 et al

**Agency Mission:**

To regulate and supervise the financial institutions and enterprises of Arizona according to statutes in ways that promote integrity within the financial services industry and do not unreasonably impede economic growth or business activity and provide consumer support to the greatest possible extent.

**Agency Description:**

The State Banking Department is charged with the licensing, supervision, and regulation of state chartered financial institutions and enterprises. The supervisory role is twofold: 1) ensuring the safety and soundness of state chartered financial entities; and 2) verifying compliance with applicable state and federal laws. The Department also investigates complaints that are filed by consumers against licensed entities where violations of state law or rules have been alleged, and directs appropriate remedial action if the violations are substantiated. The Department serves over 3,200 entities licensed to conduct business in the State, as well as Arizona citizens who receive services from these companies.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ OFFICE OF SUPERVISION	2,570.6	2,200.3	2,405.1
➤ OFFICE OF REGULATORY AFFAIRS	766.5	770.2	770.2
➤ RECEIVERSHIPS	73.3	891.8	891.8
Agency Total	3,410.4	3,862.3	4,067.1

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,707.2	2,730.4	2,935.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	703.2	1,131.9	1,131.9
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	3,410.4	3,862.3	4,067.1
FTE Positions	52.1	52.1	52.1

**Strategic Issues**

**Strategic Issue Number: 1**

*FY '04 and '05 appropriation shortfall for meeting examination requirements required by statute.*

The Department faces funding shortfalls for both FY 04 and FY 05 based on the resources required to perform the number of examinations and other regulatory activities required by Arizona statute.

**Strategic Issue Number: 2**

*The Banking Department has identified a gap between consumer understanding and the increased complexity of products available in the financial services marketplace.*

In order to increase the public's understanding and satisfaction with

financial products currently available, the Banking Department will partner with federal regulatory agencies such as the Federal Deposit Insurance Corporation (FDIC) to deliver financial education for Arizona consumers.

**BDA.1 PROGRAM SUMMARY  
OFFICE OF SUPERVISION**

Contact: Bruce Tunell, Deputy Superintendent of Banks  
 Phone: (602) 255-4421  
 A.R.S. § 6-101 et. seq.

**Program Mission:**

*To provide a regulatory program that fosters efficient, safe, sound, and lawful operations of state-regulated financial institutions and enterprises.*

**Program Description:**

This area is primarily responsible for administering the general program of examination, supervision, and financial analysis of over 3,200 licensees spread among 19 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,896.0	1,916.1	2,120.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	674.6	284.2	284.2
Federal Funds	0.0	0.0	0.0
Program Total	2,570.6	2,200.3	2,405.1
FTE Positions	37.6	37.6	37.6

**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of licensees scheduled to be examined annually that are examined.	123.8	100	100	100
● Percent of licensees scheduled to be examined biannually that are examined.	44.2	45	50	50
● Percent of licensees scheduled to be examined every third year that are examined.	5.8	12	33	33
● Percent of licensees scheduled to be examined every fifth year that are examined.	37.7	33	20	20
● Percent of licensees examined with no examination schedule requirement.	2.6	15	5	5
● Percent of examinations receiving a satisfactory composite rating.	91.2	86	85	85



- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Supervisory actions taken based on examination findings. 69 114 100 100
- Formal/informal supervisory actions taken. 148 178 150 150

- ◆ Goal 3 - To improve relations with licensees through the examination process.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of licensees indicating they receive good or better service from the Department. 100 98.9 98 98
- Percent of examination reports mailed within 25 days of completion of all examination procedures. 88.3 92.4 90 90

- Applications processed (home office and branch). 1,436 1,877 1,600 1,600
- Licenses/renewals issued. 3,525 3,285 3,300 3,300

- ◆ Goal 2 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of surveyed applicants who respond they received 'good' or better overall service. 99.6 98.3 98.7 98.7
- Average days from receipt to approval of license applications (Excluding Banks and Credit Unions). 5.4 6.9 6 6
- Percent of license applications approved within 45 days of receipt (excluding Banks and Credit Unions). 99 91.2 90 90

- ◆ Goal 3 - To receive and investigate consumer complaints/unlicensed activity and resolve disputes in a prompt and professional manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of complainants indicating they receive 'good' or better overall service from the Department. 69.6 63.5 75 75
- Average number of days from receipt to resolution of regular complaint. 10.6 28.5 23 23
- Regular complaints filed. 944 902 1,000 1,000
- Complaints received and forwarded. 474 541 500 500
- Complaints closed (reg and forwarded). 1,425 1,463 1,400 1,400
- Unlicensed activity identified. 62 64 50 50

BDA.2 PROGRAM SUMMARY  
**OFFICE OF REGULATORY AFFAIRS**  
 Contact: Bruce Tunell, Deputy Superintendent of Banks  
 Phone: (602) 255-4421  
 A.R.S. § 6-101 et. seq.

**Program 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.*

**Program Description:**

The primary function of this area is to license entities to conduct business in this State based on criteria provided in statute. In addition, the program receives and investigates complaints against licensees and issues administrative orders for those found to 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	766.5	770.2	770.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>766.5</b>	<b>770.2</b>	<b>770.2</b>
FTE Positions	14.1	14.1	14.1

**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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BDA.3 PROGRAM SUMMARY  
**RECEIVERSHIPS**  
 Contact: Bruce Tunell, Deputy Superintendent of Banks  
 Phone: (602) 255-4421  
 A.R.S. § 6-101 et. seq.

**Program Mission:**

*To administer and ultimately liquidate all court ordered receiverships in a professional and effective manner.*

**Program Description:**

This area is responsible for the management, orderly liquidation, and closure of all receiverships where the Superintendent of Banks has been named by the Court as Receiver.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

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General Funds	44.7	44.1	44.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	28.6	847.7	847.7
Federal Funds	0.0	0.0	0.0
	<hr/>	<hr/>	<hr/>
Program Total	73.3	891.8	891.8
	<hr/>	<hr/>	<hr/>
FTE Positions	0.4	0.4	0.4

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To promptly marshal and liquidate the assets of assigned receiverships.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Open receiverships (any point in fiscal year).	0	0	1	1

- ◆ Goal 2 - To expedite the closure of all assigned receiverships while maximizing the recovery dollars for injured parties.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Close 'Heritage Trust Corp.' receivership in FY 2000.	N/A	N/A	N/A	N/A



**AGENCY SUMMARY  
BOARD OF BARBER EXAMINERS**

Mario Herrera, Executive Director BBA  
 Contact: Mary Jane Jones, Administrative Secretary (602) 542-4498  
 A.R.S. § 32-301 et. seq.

**Agency Mission:**

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

**Agency Description:**

The Board communicates with licensees regarding proper sanitation methods and changes in the law; administers barber examinations; grants and renews licenses; inspects barber establishments; investigates complaints regarding unlawful activities; and takes effective measures to rectify situations, including holding hearings, levying fines, and suspending or revoking licenses.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	191.1	221.4	207.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>191.1</b>	<b>221.4</b>	<b>207.0</b>
FTE Positions	3.0	4.0	4.0

**Strategic Issues**

**Strategic Issue Number: 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.

**Strategic Issue Number: 2**

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

The Board has noticed increased instances of unlicensed persons using a license. The Board will explore means of quickly identifying that a license belongs to the individual claiming it. The Board will compare the benefits of each method against the costs involved to the Board, inconvenience and cost to the licensee (if any) as well as any new rules which might be necessary. The Board anticipates that this will be an on-going issue as new technology becomes available.

**Strategic Issue Number: 3**

*Difficulty in meeting some of the legislative mandates in regard to timeframe rules.*

The Board needs additional funding to enact new rules to change the timeframe limitation from seven days to sixty days.

**Agency Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of applications accepted for new barber/instructor examinations.	346	332	516	645
● Number of applications for new barber/instructor licensees.	353	370	552	689
● Number of applications for new barber/instructor licenses rejected.	74	134	107	130
● Number of examinations for new barber/instructor failed.	63	102	103	129
● Percent of examinations for new barber/instructor failed.	19	31	20	20
● Number of applications for new shop/school licenses.	242	255	293	322
● Number of applications for new shop/school licenses rejected.	14	34	20	20

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of complaints received.	325	350	350	350
● Number of inspections conducted.	1,343	1,378	2,000	2,000
● Percent of total inspections passed.	89	83	90	90
● Avg. calendar days from receipt of complaint to resolution.	21	21	21	21

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of inspections resulting in disciplinary enforcement action.	.6	0.5	3.5	3.5
● Percent of inspections resulting in convictions.	.5	0.5	3.5	3.5
● Number of licenses revoked or suspended.	0	0	4	4
● Percent of licensees with disciplinary action.	.15	.1	.5	.5

- ◆ Goal 4 - To serve licensees in an efficient manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administrative cost as a percent of total cost.	10	10	10	10
● Average number of calendar days from receipt of application to issuance or denial.	3	2	7	7

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of barber/instructor and shops/schools licenses.	5,262	5,638	6,483	7,196
• Percent of licensees reporting very good or excellent service.	90	90	90	90



**AGENCY SUMMARY  
BOARD OF BEHAVIORAL HEALTH EXAMINERS**

Debra Rinaudo, Executive Director BHA  
 Contact: Debra Rinaudo, Executive Director (602) 542-1884  
 A.R.S. § 32-3251 to 32-3322

**Agency Mission:**

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

**Agency Description:**

The Board certifies and biennially renews certification for 6,000 behavioral health professionals, which requires that 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 certification status and complaint history of individual behavioral health professionals.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	611.8	813.8	773.9
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>611.8</b>	<b>813.8</b>	<b>773.9</b>
<b>FTE Positions</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*Passage of HB2206 will significantly increase the number of applications the Board expects to receive in FY2004.*

The Board fulfills its mission to protect the public by ensuring that certified professionals meet required minimum standards of education and competence. The Board currently certifies 6,000 professionals. Because certification is voluntary, a significant number of behavioral health professionals practicing in Arizona meet certification requirements, but are not currently certified by the Board. Effective July 1, 2004, HB2206 requires all behavioral health professionals practicing psychotherapy in Arizona to be licensed by the Board. All professionals certified by the Board as of June 30, 2004, will be automatically grandfathered into licensure and will not be required to meet licensure requirements. The Board is currently experiencing a 74 percent increase in applications over those received in FY2001 as professionals increasingly seek certification in anticipation of licensure. The Board expects the number of applications received to continue to increase during FY2004 as currently practicing psychotherapists seek certification in order to continue to practice after July 1, 2004.

**Strategic Issue Number: 2**

*The Board must devote a significant amount of resources during FY2004 to accomplish the transition from voluntary certification to mandatory licensure.*

A successful transition from voluntary certification to mandatory licensure will require a significant number of changes to Board processes and procedures, including the development of new rules, new forms and a new licensing database. It will also require an extensive outreach effort to keep

stakeholders informed regarding these changes.

**Strategic Issue Number: 3**

*Mandatory licensure for psychotherapists will significantly increase the number of complaint investigations by the Board.*

The Board currently fulfills its mission to protect the public by investigating and taking action on complaints filed against certified professionals. Historically, approximately 27 percent of the complaints the Board received were against non-certified behavioral health professionals. Because the Board had no jurisdiction to act on these complaints, they were dismissed without investigation or action. After mandatory licensure goes into effect on July 1, 2004, it is anticipated that the large majority of complaints received will be against professionals licensed by the Board. In addition, if the Board receives a complaint against a non-licensed professional practicing psychotherapy, the Board will be forced to investigate to determine if a cease and desist order should be issued. Thus, it is anticipated that licensure will significantly increase the number of the Board's annual complaint investigations.

**Agency Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customers satisfaction rating (scale 1- 8).	N/A	6.8	6	6
● Numbers of inspections/investigations.	121	449	500	500
● Average number of days to process verifications.	7	5	14	14
● Renewals received.	2,201	2,435	2,500	2,600
● Percent of application reviews completed within 180 days.	99	96	95	95
● Average days to resolve a complaint.	334	244	300	300
● Verifications received.	3,006	2,900	2,000	2,000
● Average days to renew a license (from receipt of application to issuance).	19	23	30	30
● Number of licenses issued (new and existing).	5,876	5,968	6,100	6,200
● Number of complaints received about licenses.	59	74	75	100
● Administration as a percentage of total cost.	13	9.5	10	10
● Applications received.	751	983	1,200	800
● Individuals certified.	665	783	1,000	700



**AGENCY SUMMARY  
DEPARTMENT OF BUILDING AND FIRE SAFETY**

N. Eric Borg, Director MMA  
 Contact: Mike Peterson, Assistant Director (602) 364-1003  
 A..R.S. § 41-2141

**Agency Mission:**

To provide consumer protection and ensure the 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 and training related to the State Fire Code.

**Agency Description:**

The Department of Building and Fire Safety enforces safety standards for manufactured homes, mobile homes, and factory-built buildings. The Department is comprised of the Office of Administration, the Office of Manufactured Housing, and the Office of the State Fire Marshal. The latter enforces the State Fire Code and provides training and education for fire personnel and the general public.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	1,651.1	1,705.6	1,705.6
➤ MANUFACTURED HOUSING	1,028.2	1,076.1	1,076.1
➤ STATE FIRE MARSHAL	1,044.7	1,086.8	1,086.8
Agency Total	3,724.0	3,868.5	3,868.5

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,046.1	3,190.6	3,190.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	677.9	677.9	677.9
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	3,724.0	3,868.5	3,868.5
FTE Positions	65.0	52.0	52.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Federal downsizing.*

Federal Downsizing, especially in the Housing and Urban Development Department (HUD) will require states to increase their role in the Manufactured Housing and Factory Built Building Industries.

**Strategic Issue Number: 2**

*Automation.*

As the rate at which automation improvements are implemented in the Information Age, combined with Agency staffing reductions, the Department will be required to address aging automated resources and implement new solutions to continue to provide the required level of service.

**Strategic Issue Number: 3**

*Budget Reductions*

As the Department funding was reduced in 2002 and 2003, the

Department will be strained to continue to provide mandated services (legislative, federal and local).

**MMA.1 PROGRAM SUMMARY  
ADMINISTRATION**

Contact: Mike Peterson, Assistant Director  
 Phone: (602) 364-1003  
 A.R.S. § 41-2171 to 41-2196

**Program Mission:**

*To provide administrative services, licensing, and regulatory enforcement to the manufactured housing industry.*

**Program 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. In addition, the program licenses and regulates manufactured housing businesses and individuals.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,141.7	1,196.2	1,196.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	509.4	509.4	509.4
Federal Funds	0.0	0.0	0.0
Program Total	1,651.1	1,705.6	1,705.6
FTE Positions	21.0	16.0	16.0

**Program Goals and Performance Measures:**

◆ Goal 2 - To expedite licensing of qualified applicants.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average days from receipt of application to granting of license.	2	14	14	14
● Total individuals or facilities licensed.	3,941	2,479	2,500	2,600

◆ Goal 3 - To rapidly and accurately investigate alleged illegal conduct within the manufactured housing industry.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of licenses revoked or suspended.	129	226	150	150
● Total investigations conducted.	2,252	1,039	1,200	1,200
● Percent of licensees with disciplinary action.	6.5	11	7	7
● Percent of investigations resulting in convictions.	12	5	5	5
● Percent of investigations resulting in disciplinary enforcement action.	27	4	4	4
● Citations and complaints issued.	254	699	300	300

MMA.2 PROGRAM SUMMARY  
**MANUFACTURED HOUSING**

Contact: Larry Pointer, Assistant Director  
 Phone: (602) 364-1003  
 A.R.S. § 41-2151 to 41-2156

**Program Mission:**

*To protect the public while maintaining and enforcing standards of quality and safety.*

**Program 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 Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,028.2	1,076.1	1,076.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,028.2</b>	<b>1,076.1</b>	<b>1,076.1</b>
FTE Positions	25.0	21.0	21.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To ensure safe products for consumers of manufactured/mobile homes, recreational vehicles, and factory-built buildings.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total installation inspections.	9,988	9,362	9,500	9,500
● Total complaints filed.	416	374	400	400

MMA.3 PROGRAM SUMMARY  
**STATE FIRE MARSHAL**

Contact: Duane Pell, Assistant Director  
 Phone: (602) 364-1003  
 A.R.S. § 41-2161 to 41-2166

**Program Mission:**

*To protect the public while reducing hazards to life and property through training and enforcement related to the State Fire Code.*

**Program 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. Training for firefighters is provided and other state

agencies are assisted in enforcing Fire and Life Safety codes.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	876.2	918.3	918.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	168.5	168.5	168.5
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,044.7</b>	<b>1,086.8</b>	<b>1,086.8</b>
FTE Positions	19.0	15.0	15.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To increase life safety and property conservation through fire code enforcement and firefighter training.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of firefighters participating in OFM training indicating that they received professional training.	98	97	97	97
● Number of enforcement inspections for new construction.	6,105	1,966	1,966	1,966
● Number of persons trained.	3,445	2,576	2,600	2,600
● Number of buildings inventoried.	19,356	20,000	22,000	23,000
● Percent of high priority buildings with inspections (priority 1 & 2).	N/A	95	98	98

- ◆ Goal 2 - To ensure public safety in the removal of petroleum tanks under DEQ requirements.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total tank inspections.	369	146	150	150



**AGENCY SUMMARY  
BOARD OF CHIROPRACTIC EXAMINERS**

Patti Pritzl, Executive Director CEA  
 Contact: Patti Pritzl, Executive Director (602) 864-5088  
 A.R.S. § 32-900 et. seq.

**Agency Mission:**

To protect the health, welfare, and safety of Arizona citizens who seek and use chiropractic care.

**Agency Description:**

The Board of Chiropractic Examiners evaluates applications from chiropractors seeking initial licensure and conducts examinations as required; from licensed chiropractors seeking renewal of licensure; and from persons seeking participation in Board-approved preceptorship or chiropractic assistant programs. The Board investigates backgrounds of applicants for licensure and complaints made against chiropractors, and conducts administrative hearings as required. The Board provides information to the public concerning applicants, licensees, and regulatory actions taken. These functions are accomplished through a fees-financed program of examination, licensure, and regulation.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	340.7	450.8	445.7
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>340.7</b>	<b>450.8</b>	<b>445.7</b>
<b>FTE Positions</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*The legal representation for the agency through the Office of the Attorney General (A.G.) has been inconsistent and inadequate for the needs of the agency, resulting in delayed hearing dates and actions and receipt of conflicting A.G. advice.*

Cases voted to hearing by the Board have sat for as long as four years awaiting an Assistant A.G. to prosecute the case. A.G. advice has been conflicting and often based on the Assistant A.G.'s personal opinion rather than legal research or precedent. Requests for formal opinion are generally denied and legal representation on the part of the Office of the Attorney General has failed to demonstrate responsibility to the agency and to the public impacted by violations of the Chiropractic Act. The Board has obtained statutory authority to raise fees. The additional revenues will support a contract with the Office of the A.G. for a half-time Assistant A.G. to provide legal advice and information to the Board and to litigate contested cases within a reasonable timeframe. The contract has been implemented and timeframes have improved.

**Strategic Issue Number: 2**

*The workload from requests for license verifications has increased both in 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 to 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 increase to five to ten minutes each. Additional fees have been instituted

to fund facilitation public records response time. The database and web site have been improved to allow on-line access to credentialing information; however, additional technological upgrades are needed in order to allow the public to access complaint history and disciplinary actions on-line.

**Strategic Issue Number: 3**

*Agency staff does not possess technical knowledge sometimes required for complete analysis and investigation of a complaint,*

The Agency has not contracted or employed general investigative assistance from a chiropractic professional who can review files and advise staff of possible violations or concerns in the past. In addition, when a matter proceeds to hearing, the agency must then contract for expert witness services through an individual that is not familiar with the case. The Agency has received statutory authority to raise fees. The additional revenue will be used to contract with a chiropractor(s) to provide technical expertise in investigations and to act as experts in matters proceeding to hearing. The RFP for the contract investigator is in process, with a goal to establish a contract by the beginning of September 2003.

**Strategic Issue Number: 4**

*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 perceptions of health regulatory agencies due 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.

**Strategic Issue Number: 5**

*The agency workload continues to increase.*

The number of licensees regulated by the agency has grown at a rate of 4% over the past decade. The agency continues to license 130 to 145 new licensees a year. In addition, as the role of the chiropractor has developed in the health care sector, the requests for public records, verifications and credentialing has expanded considerably. The nature of information requested has become more complex, requiring additional commitment of staff time. Demands on staff time will be monitored and additional staff planned as required.

**Strategic Issue Number: 6**

*The agency's ability to serve the public is limited by its technology.*

Although the agency has a web site, the information we are able to display on that site is limited. If a member of the public wants to see an actual record, they must submit an order with payment for copies or come into the office. Persons paying fees must do so by mail or come into the office. Payment must be made by check or money order because the agency does not have the ability to accept credit card payments. Applications must be processed in person or by mail. The agency has planned to improve technological resources, however, a lack of appropriation will delay improvement until at least 2006.

**Strategic Issue Number: 7**

*The Board should transfer the administration of an acupuncture examination to the National Board*

This Agency administers an acupuncture examination for certification in acupuncture under a chiropractic license, placing the State at risk of liability associated with testing and minimizing the competency test necessary to protect the public. The National Board of Chiropractic Examiners now gives an acupuncture examination that can be used in lieu of an agency administered examination. In order for the agency to stop testing locally and refer all testing to the National Board examination, statute must be changed to reflect the hours of education required in order to sit the National Examination. The Board will run legislation to this end in 2004.

**Strategic Issue Number: 8**



*The Agency is restricted by a low appropriation for IT services*

The Agency is restricted from moving to a "paperless" system by a lack of appropriation for IT funding, despite the fact that the agency has the reserves and revenues to support the requested IT appropriation.

**Strategic Issue Number: 9**

*The office lacks security and confidentiality barriers*

The office is an open floor plan without a lobby area separating visitors from staff work area and file storage areas. The open floor plan provides a low level of security for staff and records.

**Agency Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of applications for licensure received.	175	123	170	170
● Average number of days between receipt of complete application and Board action.	24	16	20	20
● Number of new licenses issued.	80	125	137	141
● Number of licenses issued prior to undisclosed conviction being identified.	0	0	0	0
● Number of licenses eligible for renewal.	2,690	2,535	2,598	2,623
● Percent of license renewal applications processed within 15 business days.	95	98	98	98

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of new complaints filed.	140	127	140	140
● Percent of complaints resolved within 180 days of receipt with no hearing required.	95	89	95	95
● Average number of months to resolve a complaint by administrative hearing.	8.0	10.0	8.0	8.0
● Total number of investigations conducted.	169	151	150	150
● Percent of investigations resulting in disciplinary action.	11	22	15	15

- ◆ Goal 3 - To increase public awareness of agency functions, resources, and parameters; to increase public record accessibility; and to increase communication with the public and professional community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Public information brochures distributed (This has been changed to web site access count per month for 04 and 05).	300	200	1,000	1,000
● Self-assessment surveys returned.	70	63	65	70
● Percent of complaints filed with the Board which do not fall under the boards jurisdiction.	9	8	10	10

- ◆ Goal 4 - To ensure Board and staff competence and knowledge.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of survey responses which indicate that staff was knowledgeable and courteous in public communications.	96	100	97	97
● Administration as a percent of total cost.	25	25	20	20



**AGENCY SUMMARY  
CORPORATION COMMISSION**

Brian C. McNeil, Executive Secretary CCA  
 Contact: Yvonne McFarlin, Executive Assistant  
 A.R.S. § 40-101 et seq.

**Agency 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.

**Agency Description:**

The Corporation Commission was established by Article 15 of the State Constitution and is composed of three [five as of January 2003] elected commissioners. Commissioners are currently each serving six-year terms, however, with the passage of Proposition 103 in 2000, they will eventually serve four year terms. Staffing is provided in six divisions, each headed by a director serving under the Commission's Executive Secretary, 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, 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)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	2,566.8	2,618.6	2,618.6
➤ HEARINGS	1,107.1	1,359.1	1,359.1
➤ CORPORATIONS	4,045.2	4,124.8	4,334.8
➤ SECURITIES	5,337.0	4,843.1	4,843.1
➤ RAILROAD SAFETY	451.7	491.5	491.5
➤ PIPELINE SAFETY	1,521.0	1,289.1	1,351.7
➤ UTILITIES	5,357.1	6,194.8	6,362.0
➤ LEGAL	1,496.9	1,619.0	1,682.8
Agency Total	<u>21,882.8</u>	<u>22,540.0</u>	<u>23,043.6</u>

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,831.7	4,795.3	4,795.3
Other Appropriated Funds	16,780.3	17,489.0	17,992.6
Other Non-Appropriated Fund	32.3	0.0	0.0
Federal Funds	238.5	255.7	255.7
Agency Operating Funds Total	<u>21,882.8</u>	<u>22,540.0</u>	<u>23,043.6</u>
FTE Positions	301.8	301.8	303.8

**Strategic Issues**

**Strategic Issue Number: 1**

*Agency needs further modernization of its 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 rapid 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 or oversees. A similar transition in the electric industry will also occasion a larger universe of regulated entities. In essence, deregulation will lead to the need for increased resources in the near term. In the long term, there will be a natural exiting of market participants due to competitive pressures, and Commission resources may be sufficient.

**Strategic Issue Number: 2**

*Agency needs to develop and strengthen its human resources.*

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 PROGRAM SUMMARY  
ADMINISTRATION**

Contact: Michael Kearns, Deputy Executive Secretary  
 Phone: (602) 542-0657  
 A.R.S. § 40-105

**Program 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.*

**Program Description:**

The Administration Division is composed of the three elected commissioners [five as of January 2003] and their staffs, the Executive Secretary'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 Secretary, who serves at the pleasure of the Commissioners. He is assisted by the Deputy Executive Secretary, who oversees the administrative and fiscal functions of the Commission. The business office provides accounting, payroll, purchasing, and personnel support for the entire Commission.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,239.2	1,128.8	1,128.8
Other Appropriated Funds	1,327.6	1,489.8	1,489.8
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	<u>2,566.8</u>	<u>2,618.6</u>	<u>2,618.6</u>
FTE Positions	25.0	25.0	25.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To ensure all matters coming before the Commission are resolved in a timely manner, in accordance with administrative procedures.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of open meetings held.	124	103	110	150

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Agenda items considered.	838	600	700	800
● Claims processed/warrants issued.	3,217	2,899	3,200	3,200
● Revenue deposited with the Treasurer (in millions).	39.4	32.8	50	42

◆ Goal 2 - To provide business services to all Divisions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Purchase orders issued.	583	462	500	500

◆ Goal 2 - To perform duties in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of proposed orders issued within legal time frames.	100	100	100	100

◆ Goal 3 - To continue the trend of performing under an increasing workload.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Procedural Orders issued.	414	498	600	650
● Proposed Orders issued.	348	214	300	350

◆ Goal 4 - To provide timely and efficient docket services to regulated utilities and consumers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Open Meeting items processed.	563	730	800	850
● Research actions performed (in thousands).	16	13.5	12.1	10.9
● Filings docketed (in thousands).	13.1	11.2	12.0	13.0

CCA.2	PROGRAM SUMMARY HEARINGS
Contact: Lyn A. Farmer, Chief Hearing Officer	
Phone: (602) 542-4250	
A.R.S. § 40-243 to 40-255	

**Program Mission:**

To preside over administrative hearings concerning complex utility and securities matters, and to write and submit Proposed Opinion and Orders for the Commissioners' consideration at Open Meeting.

**Program Description:**

The Hearing Division exercises the Commission's authority to hold public 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3.5	18.9	18.9
Other Appropriated Funds	1,103.6	1,340.2	1,340.2
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,107.1</b>	<b>1,359.1</b>	<b>1,359.1</b>
FTE Positions	17.0	17.0	17.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To conduct fair and impartial hearings, and to propose factually and legally sound Orders for the Commissioners' consideration.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cost of education & training for hearing officers.	11,000	12,000	12,000	12,000
● Rehearings granted - Hearing Officer's error.	0	0	0	0

CCA.3	PROGRAM SUMMARY CORPORATIONS
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Contact: Joanne C. MacDonnell, Director
Phone: (602) 542-3521
Arizona Constitution, Article XIV

**Program Mission:**

To approve corporate names and grant corporate or limited liability company status to companies organizing under the laws of the State of Arizona; to issue licenses to foreign corporations and limited liability companies who wish to transact business in this State; to collect annual reports from all corporations of record; and to maintain these files for the benefit of public record and service of process.

**Program Description:**

The Corporations Division is comprised of seven areas (Annual Reports, Corporate Filings, Name Reservations, Corporate Records, Certifications, STARPAS/MIS, and Administration). The Division also provides staffing for the Tucson office of the Corporation Commission to serve the residents of Southern Arizona. The Corporations Division has limited investigatory powers and no regulatory authority.

The Corporations Division approves for filing all articles of incorporation, amendments to articles, mergers, consolidations, withdrawals, and dissolutions for Arizona businesses; approves corporate names; approves all articles of organization for limited liability companies (LLC); grants authority to foreign corporations transacting business in this State; verifies that public record publishing requirements are met; approves documents for corporations that are winding-up operations; propounds interrogatories, when necessary, to determine a company's lawful purpose; and revokes the authority of foreign corporations in Arizona or administratively dissolves the charters of Arizona corporations which do not comply with Arizona law.

The Division collects an annual report from for-profit corporations reflecting their current statutory agent, corporate address, amount of stock issued, lists of officers and directors, Certificate of

Disclosure, Statement of Bankruptcy, and principle businesses. Non-profit corporations are also required to file an annual report and, additionally, must include a statement of financial disclosure. The Division updates the public record with information provided by the annual report and when it receives notice of corporate address change or statutory agent change. The Division must maintain this information in a data format conducive to public access; respond to public questions concerning Arizona businesses and corporation law; and respond to the needs of the business sector by disseminating whatever information is mission-critical to them. The Division has limited investigatory powers and no regulatory authority. However, the Articles of Incorporation of an Arizona corporation may be administratively dissolved if certain statutory requirements are not met. Likewise, the authority of a foreign (non-Arizona) corporation to transact business in Arizona may be 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 Commission are accepted and processed by the Records Section. The Division also works extensively with other governmental agencies, such as Banking, Insurance, Real Estate and the Secretary of State to ensure consistency between agencies relative to filing requirements. Law enforcement agencies such as the Attorney General, FBI and IRS rely upon records obtained from the Division.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,318.1	2,339.9	2,339.9
Other Appropriated Funds	1,727.1	1,784.9	1,994.9
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>4,045.2</b>	<b>4,124.8</b>	<b>4,334.8</b>
<b>FTE Positions</b>	<b>76.0</b>	<b>76.0</b>	<b>78.0</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide customers with timely processing of their business documents.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Annual reports backlogged.	16,405	15,323	13,000	12,000
● Average days to process expedited requests- corporate filings.	1-3	1-3	1-3	1-3
● Average weeks to process regular requests- Corporate Filings.	4-10	4-10	4-10	4-10
● Total active corporations and LLC's recorded.	300,767	342,441	365,441	390,441
● Annual reports filed.	114,702	123,962	124,000	126,000
● Rejected documents- Annual Reports.	40,274	59,128	50,000	45,000
● Annual reports returned as undeliverable.	37,419	23,149	31,000	29,000
● Total filings.	89,045	108,901	118,884	128,821

- ◆ Goal 2 - To provide customers the most expedient public information services possible.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total Number Deflected - Corporate Records Section.	1,303	480	450	400
● Division-wide incoming calls for corporate filings and records, annual reports, MIS help desk and Tucson office.	389,890	371,427	372,360	378,351
● Division-wide calls answered.	340,408	330,994	338,571	344,232

- ◆ Goal 3 - To streamline and improve internal customer related administrative/ operational functions

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● IPS documents scanned.	180,117	211,503	248,358	291,635

- ◆ Goal 4 - To expand training opportunities for division staff members.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total class hours.	1,313	768	815	815
● Class hours per full-time equivalent (FTE).	16.8	9.8	10.4	10.4

CCA.4                      **PROGRAM SUMMARY**  
**SECURITIES**

Contact: Matthew Neubert, Acting Director  
 Phone: (602) 542-0605  
 A.R.S. § 44-1801 to 44-2041

**Program 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.*

**Program Description:**

The Division consists of five sections: Registration and Compliance, General Counsel, Enforcement, and Management Information Systems. 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; investigates possible violations; where the evidence warrants, brings administrative, civil or criminal enforcement actions; and conducts programs to educate investors to protect themselves and industry on compliance with statutory and regulatory requirements.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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General Funds	819.2	816.2	816.2
Other Appropriated Funds	4,517.8	4,026.9	4,026.9
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>5,337.0</b>	<b>4,843.1</b>	<b>4,843.1</b>
<b>FTE Positions</b>	<b>67.3</b>	<b>67.3</b>	<b>67.3</b>

**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Applications/filings.	17,246	17,524	17,500	17,500
● Registrations/exemptions.	18,315	18,555	18,500	18,500
● Number of months required to review.	1.5	1.5	1.5	1.5

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of complaints.	510	394	400	400
● Enforcement action: investigations initiated.	39	41	45	45
● Enforcement action: subpoenas issued.	339	163	200	200
● Commission Order: Cease and Desist.	49	31	35	35
● Commission Order: Fines- Respondents.	84	58	60	60
● Commission Order: Restitution - Respondents.	73	51	50	50
● Civil Cases - initiated.	6	4	5	5
● Criminal Cases (indictments) - True Bills.	4	8	7	7

CCA.5 PROGRAM SUMMARY  
RAILROAD SAFETY

Contact: Don Thompson, Program Manager  
Phone: (602) 262-5601  
A.R.S. § 42-201 et. seq.

**Program 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.

**Program 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, which is conveyed to the Commission's Railroad Safety program 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 before they can function as such. FRA has separated all inspector positions into five "disciplines". Those are: Motive Power and Equipment (MP&E), Signal and Train Control Devices (S&TC), Hazardous Materials (HM), Track, and Operating Practices (OP). Each inspector, based on his or her qualifications, specializes in one of these disciplines, eventually being certified by FRA. Once certification is in place, the inspector conducts what are essentially compliance audits in that action plan to correct the defects. If a railroad needs assistance in developing the action plan, an inspector may make suggestions or otherwise help solve the problem. If, upon reinspection, the inspector finds that the defects were not corrected and no effort was made to address the problem, he/she will probably take a federal violation against the company.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	451.7	491.5	491.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>451.7</b>	<b>491.5</b>	<b>491.5</b>
<b>FTE Positions</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To promote and ensure the safe operation of Arizona railroads.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Miles of railroad track inspected.	2,695	1,964	2,000	2,000
● Freight cars inspected.	3,884	3,840	4,500	4,500
● Locomotive units inspected.	98	91	150	150
● Operating practices inspections.	177	62	150	150
● Hazardous materials inspections.	4,548	2,738	2,000	2,000
● Grade crossing inspections.	381	416	400	400
● Industrial spur track inspections.	47	49	50	50
● Federal violations filed.	38	47	30	30
● Derailments.	46	27	30	30
● Number of grade crossing accidents.	29	35	35	35
● Other accidents.	41	22	25	25
● Grade crossing complaints.	28	55	30	35
● Other complaints.	45	66	40	40
● Operation Lifesaver presentations.	9	6	10	10
● HazMat Accidents/Incidents.	25	28	25	25

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◆ Goal 2 - To ensure the Commission role in rail/highway grade crossings safety is effectively performed.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Grade crossings improved.	18	21	15	15
● Signal & Train control inspections.	28	63	55	55
● Signal system components inspected.	1,039	1,926	2,000	2,000

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number code compliance inspections.	2,471	1,957	2,200	2,200
● Total Bluestake violations written.	353	326	300	300
● Random Bluestake inspections.	56	170	50	50
● Seminars/Public awareness meetings held.	32	35	30	30
● Investigated incidents.	513	338	300	300
● Interstate violations referred to DOT.	9	6	10	10
● Violations: Interstate.	9	6	10	10
● Number of OSC enforcement actions.	2	0	1	1
● Total interstate inspections.	57	4	9	10

CCA.6                      **PROGRAM SUMMARY**  
**PIPELINE SAFETY**

Contact: Terry Fronterhouse, Manager  
 Phone: (602) 262-5601  
 A.R.S. § 42-201 et. seq.

**Program 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*

**Program 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 in complying with Pipeline Safety regulations.

**Funding and FTE Amounts:**

Performance Measures	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,282.5	1,033.4	1,096.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	238.5	255.7	255.7
<b>Program Total</b>	<b>1,521.0</b>	<b>1,289.1</b>	<b>1,351.7</b>
FTE Positions	17.0	17.0	17.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To protect the public and the environment by providing the highest level of pipeline safety awareness.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Fines collected (in thousands).	254	190	200	200
● Total intrastate inspections.	212	289	125	150
● Violations: Intrastate.	1,882	1,752	1,700	1,650
● Violations: Master Meter.	1,616	1,556	1,600	1,650
● Total master meter inspections.	2,202	1,922	2,000	2,000

◆ Goal 2 - To ensure the pipeline operators in Arizona operate their gas pipeline systems as safe as possible.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total intrastate violations corrected.	2,136	1,750	1,700	1,500
● Major pipeline operators training classes held.	3	0	5	5
● Master Meter training classes held/persons attending.	15/327	13/305	13/220	13/220
● Bluestake training classes held/persons attending.	32/1,232	35/1,837	30/1,000	30/1,000
● Total master meter violations corrected.	1,944	1,752	1,500	1,500

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Renewal of interstate agreement for gas and liquid.	2	2	2	2

◆ Goal 4 - To maintain and improve the professional skills of the ACC pipeline staff.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Development of training courses for staff.	1	1	1	1

CCA.7                      **PROGRAM SUMMARY**  
**UTILITIES**

Contact: Ernest Johnson, Director  
 Phone: (602) 542-4251  
 A.R.S. § 40-201 et. seq.

**Program 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.*

**Program Description:**

The Utilities Division carries out its responsibilities through five organizational sections: Accounting and Rates, Economics and Research, Engineering, Safety, 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 450 traditional utilities and 650 New Market Entrants. 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 all Commission decisions. The staff conducts public workshops and other public proceedings on various regulatory topics. The Utilities Division Staff also initiates actions pertaining to utility practices and rates when necessary and in furtherance of the public interest.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	5,324.8	6,194.8	6,362.0
Other Non-Appropriated Fund	32.3	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>5,357.1</b>	<b>6,194.8</b>	<b>6,362.0</b>
FTE Positions	73.0	73.0	73.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To ensure that utility service within the Commission's jurisdiction is available to all consumers at authorized rates.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Utilities regulated.	799	1,095	1,200	1,500
● Rate cases completed.	44	41	53	56
● Tariff applications processed.	542	564	650	650

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● CLEC applications filed.	6	18	8	9
● Reseller applications filed.	54	56	66	73
● ESP applications filed.	1	0	1	1
● Certifications processed: CLECs.	23	23	28	31
● Certifications processed: Resellers.	116	119	141	155
● Certifications processed: ESPs.	4	0	4	4
● CLEC interconnection agreements processed.	137	148	166	183
● Unbundled tariff cases completed.	2	2	2	2
● Stranded cost cases completed.	0	0	1	1

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Open Meeting Items processed (Util. Only).	146	231	250	275

- ◆ Goal 3 - To maximize the Division's operating efficiency through modernization of electronic processing and enhancing the Division's Information Technology.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Consumer complaints/requests submitted electronically.	2,698	3,057	3,500	3,000

- ◆ Goal 4 - To maintain public involvement, accessibility and regulatory oversight by conducting workshops, forums and community outreach programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of public awareness functions.	6	25	20	10
● Number of water workshops.	4	4	4	4

CCA.8 PROGRAM SUMMARY  
**LEGAL**

Contact: Chris Kempley, Chief Counsel  
Phone: (602) 542-6025  
A.R.S. § 40-106

**Program 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.*

**Program 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,496.9	1,619.0	1,682.8
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,496.9</b>	<b>1,619.0</b>	<b>1,682.8</b>
FTE Positions	19.5	19.5	19.5

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide efficient, high-quality legal representation.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Education and training expenditures.	23,997	21,480	14,080	14,080

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Attorney legal education classes completed.	10	24	15	15
● Classes completed: job-related education for support staff.	23	16	26	26
● Classes completed: other education.	31	5	3	3
● Expenditures on advanced research tools.	23,405	22,419	23,405	23,405

◆ Goal 2 - To provide high-quality representation in administrative matters before the Corporation Commission.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Docketed matters handled.	983	907	1,122	1,122
● Administrative hearings handled by the Legal Division.	332	285	349	349
● Orders to Show Cause prepared by the Legal Division.	3	2	5	5
● Formal complaints prepared by the Legal Division.	49	6	49	49

◆ Goal 3 - To provide high-quality representation in Judicial matters before various courts.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Commission actions appealed to courts.	7	7	20	20
● Motions, briefs and other pleadings filed in courts.	53	67	67	67

◆ Goal 4 - To provide high-quality legal advice to the Commission.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Open/Special Open Meetings attended by Legal counsel.	86	56	130	130





**AGENCY SUMMARY  
BOARD OF COSMETOLOGY**

Sue Sansom, Executive Director CBA  
 Contact: Cheryl Adams, Deputy Director (480) 784-4539  
 A.R.S. § 32-501 et. seq.

**Agency Mission:**

To ensure the public health, welfare, and safety through education and enforcement of the cosmetology laws and rules by the regulation of salons, schools, and individuals who practice Cosmetology.

**Agency Description:**

The Board of Cosmetology, mandated to protect the public, issues 12 categories of licenses to individuals who qualify by reciprocity or through the Board's administration of a written and practical examination; to salons; and to schools. The Board enforces regulation by inspections, investigates consumer complaints, and conducts hearings and imposes enforcement action when appropriate.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,469.2	1,538.9	1,504.4
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>1,469.2</b>	<b>1,538.9</b>	<b>1,504.4</b>
<b>FTE Positions</b>	<b>24.5</b>	<b>24.5</b>	<b>24.5</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*Need capability to allow submittal of applications, including collecting money, over the Internet.*

The Agency's new website contains all types of applications but does not allow submittal except through printing and mailing by the applicant. The Agency needs expertise to implement the system and train employees to work the incoming applications. Also necessary is a plan to have the fees charged by companies that provide payment through the internet be reimbursed to the Agency by the applicant as funds are not available to pay for those charges.

**Strategic Issue Number: 2**

*Need for computer training of employees.*

A new E-licensing system, installation of MS Word XP software, and plans for online updating by Investigators and Inspectors in the field necessitates an on-going training program for employees. With expertise in-house and some outside training of a select few people, we hope to conduct training mostly at the office level.

**Strategic Issue Number: 3**

*Need to provide the Board with a better means of receiving information regarding the monthly Board meetings.*

Board meetings are long and can be confusing with more than 250 complaints to be dealt with at each meeting, accompanying paperwork, and a long agenda. The Agency wants to provide the Board members with an easier method of keeping track of complaints other than hard copies which can be expensive, cumbersome, and tedious. The information should be sent to the members via CDs which would contain the agenda, last month's minutes, room to make notes on any complaint, and all other pertinent information. This would require the purchase of a CD burner,

lap-top or hand-held computers for each member, and training in the use of the equipment

**Strategic Issue Number: 4**

*Need to have a paperless office as far as practical.*

The Agency has banks of files, files stored in boxes, and files stored at Library, Archives, and Public Records. With the purchase of a computer system to hold the files, imaging equipment, and temporary workers to copy the files into the new system, the files could go the way of other outdated materials and save a few trees in the process. Time would be saved by having all information stored in one online file instead of requiring an employee to get up, find and pull the file, and search for the information required. Pulling a file from Archives (which doesn't happen very often) can take up to a week.

**Strategic Issue Number: 5**

*Need issuance of licenses with a picture printed thereon.*

Arizona's population influx (and exit) has created a licensee population that is generally unknown to salon Inspectors. This situation has created the possibility of fraudulent use of a license by another person. With the purchase of a camera and license printing system, a license with a picture should reduce or eliminate this problem.

**Strategic Issue Number: 6**

*Reclassification of employees performing duties outside the personnel classifications.*

Some employees may be working out-of-class. To rectify this situation, a new position description will be submitted to classification.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To establish standards for the professional practice of cosmetology and sufficiently serve the market demand for qualified cosmetology professionals.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total applications received.	51,807	51,800	52,000	52,000
● Average calendar days from receipt of completed application to issuance of license.	10	10	15	10
● Total individuals and establishments licensed.	57,276	56,120	57,000	57,000

- ◆ Goal 2 - To ensure swift, fair, and effective enforcement of statutes and rules governing the profession.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total inspections conducted.	4,456	4,750	8,500	8,900
● Total complaints and application denials.	1,830	1,333	1,250	1,250
● Investigations resulting in disciplinary enforcement.	1,250	1,062	700	700
● Percent of investigations resulting in disciplinary enforcement.	69	78	70	70
● Total number of licenses revoked or suspended.	17	10	12	12

- ◆ 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, cost-effective service to the citizens, owners, and employees of state government.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Educational opportunities offered to the public in class or over the Internet.	25	24	24	6
● Percent of licensed establishments receiving in-house education and informational updates.	95	95	95	95

◆ Goal 4 - To provide services through efficient government.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of electronic connections to industry partners.	0	75	75	75



**AGENCY SUMMARY  
BOARD OF DENTAL EXAMINERS**

Julie N. Chapko, Executive Director DXA  
 Contact: Pamela J. Paschal, Deputy Director  
 A.R.S. § 32-1201, 32-1299

**Agency Mission:**

To provide professional, courteous service and information to the dental profession and the general public through the examination, licensing, and complaint adjudication and enforcement processes to protect the oral health, safety, and welfare of Arizona citizens through a fair and impartial system.

**Agency 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 6,300 professionals licensed or certified to practice in the state, as well as all Arizona citizens who receive these professional services.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	765.3	881.7	908.8
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>765.3</b>	<b>881.7</b>	<b>908.8</b>
<b>FTE Positions</b>	<b>9.0</b>	<b>10.0</b>	<b>10.0</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*Information Technology Development*

In December 1992 the Board implemented a relational database designed to track all licensure, complaint and enforcement activities. This database includes the entire history on all Arizona licensees and applicants past and present. The existing DOS platform DataPerfect database needs to be replaced. The system is old and is not user friendly. Most new employees lack experience in DataPerfect; there is no outside training available. The training received on-the-job does not advance the employee's technical ability or skills. Eventually, the agency wants to build a database of licensees for public use via the internet. To accomplish this, certain aspects of the database used by staff must be migrated to the database built for the web site which cannot be done with the existing database. The legislature has approved funding for FY04 to initiate the Project Investment Justification as approved by the Government Information Technology Agency. The Board's FY05 budget request includes the remainder of funding needed to complete the project.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To ensure the health, safety, and welfare of the public through regulation of the dental profession.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of cases adjudicated each calendar year (ratio of complaints resolved to complaints received).	122	140	80	80
● Average number of days from receipt of completed application to issuance or denial of certification or license.	31	28	60	60
● Total number of applications received.	445	481	460	460
● Average number of days from receipt of complaint to resolution of complaint.	132	142	150	150
● Total number of individuals or facilities licensed.	6,030	6,310	6,497	6,744
● Percent of investigations resulting in disciplinary or enforcement action.	17	17	15	15
● Number of licenses revoked or suspended.	10	16	11	11
● Customer satisfaction rating (Scale 1-5).	4	4	4	4
● Total number of investigations conducted.	564	515	500	500
● Total number of licenses/renewals issued.	2,340	2,460	2,348	2,262
● Average calendar days to renew a license (from receipt of application to issuance).	10	10	10	10
● Total number of complaints received.	476	454	500	500
● Total number of inspections conducted.	47	54	50	50
● Percent of total licensees with disciplinary action.	3	3	5	5

◆ Goal 2 - To ensure compliance with statutory mandates

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration as a percent of total cost.	1.87	6.0	5.2	5.5
● Publication of periodic newsletter that provides information to licensees regarding statutes and rules.	1	2	2	2



**AGENCY SUMMARY  
BOARD OF DISPENSING OPTICIANS**

Lori D. Scott, Executive Director  
Contact:  
A.R.S. § 32-1671

DOA

**Agency Mission:**

To protect the visual health of the citizens of Arizona by regulating and maintaining standards of practice in the field of opticianry.

**Agency Description:**

The Board of Dispensing Opticians examines and licenses professionals to practice in the field of opticianry and licenses optical establishments. The Board also accepts complaints against licensees, investigates allegations, and administratively adjudicates complaints. The Board serves 650 opticians and 300 optical establishments licensed to practice in the state, as well as all Arizona citizens who receive these professional services.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	98.7	113.3	99.1
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	98.7	113.3	99.1
FTE Positions	1.0	1.0	1.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Depletion of fund balance*

Opticians fund balance being depleted due to implementation of new Rules in 1994 requiring continuing education hours to be completed each three year period before renewal and the successful passage of two national examinations before sitting for the State Board Practical Examination. Out of state and retired licensees did not renew their licenses in 1997 when the first continuing education requirement was in effect. There has been a decrease of original applications for examination due to the requirement of the national examinations. Fees have been increased to assist in maintaining the fund balance. The carry over balance into FY2002 is approximately \$30,000. The Board is attempting to arrive at a plan of action to build its fund balance to make the Board more fiscally sound. One possible solution to the declining fund balance is to give the Board 100% of its revenue from licensing. Another possible solution would be to allow the interest made on the Dispensing Opticians Fund to be reinvested in the same fund for use by the Board. Another possible solution would be the implementation of an apprenticeship program where all people working as opticians under the license of someone else must register with the Board as an apprentice.

**Agency Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Optician applications received.	62	41	50	50
● Optician licenses issued.	35	31	40	40
● Optician renewal applications processed.	610	602	730	730
● Establishment applications received.	78	18	15	15
● Establishment licenses issued.	78	18	15	15
● Establishment renewal applications processed.	257	240	287	287
● Average number of days from receipt of application to sit for exam and examination.	75	45	45	45
● Average number of days from receipt of application for establishment license to granting of license.	30	30	30	30
● Administration as a percentage of total cost.	6	6	6	6
● Number of licensees (new and existing).	867	843	903	903

- ◆ Goal 2 - To investigate and adjudicate 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints about licensees received and investigated.	37	38	25	25
● Complaints resolved.	25	36	20	20
● Disciplinary action.	7	3	5	5
● Number of days from receipt of complaint until completion.	90	90	90	90

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of licensees fulfilling continuing education requirement.	100	100	100	100



AGENCY SUMMARY	
BOARD OF FUNERAL DIRECTORS AND EMBALMERS	
Rodolfo R. Thomas, Executive Director	FDA
Contact: Rodolfo R. Thomas, Executive Director	(602) 542-8152
A.R.S. § 32-1301 et. seq.	

**Agency 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.

**Agency Description:**

The Board of Funeral Directors and Embalmers examines and licenses individuals that provide funeral goods and services. The Board also accepts complaints against licensees, investigates allegations, and administratively adjudicates complaints. The Board oversees approximately 800 licensees practicing in the state and serves all Arizona citizens who receive funeral goods and services.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	254.0	279.1	273.5
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>254.0</b>	<b>279.1</b>	<b>273.5</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*Technology funding*

The Arizona State Board of Funeral Directors and Embalmers constantly strives to ensure optimum service to licensees and consumers alike. However, previous request for appropriations directed at the enhancement of technology was neglected for either a lack of funds or anticipation in the growth of the state and industry itself. The most direct solution to this problems appears to be a reallocation of existing appropriations. This challenge will prevail throughout this budget cycle. The assistance of the Government Information Technology Agency has been a tremendous boost in this area and without their assistance the problem would have exacerbated the situation.

**Strategic Issue Number: 2**

*Common Licensing system*

As of this date the Licensing Governing Council is not financially feasible for most boards, especially 90/10 boards. Indications from the Governor's staff are that this system is now back to square one and current costs for this type of system is in the six figure area. In the interim other plans will have to be implemented.

**Agency Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Applications received.	185	281	200	210
● Licenses issued.	180	279	220	205
● Applications denied.	1	2	1	2
● Average days to process license.	110	110	110	110
● Number of investigations.	12	17	18	19
● Number of inspections.	175	115	185	185
● Number of complaints received.	15	17	18	19
● Average number of days to investigate.	90	90	90	90
● Average number of days to renew license.	30	30	30	30

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of complaints received.	15	17	15	18
● Number of inspections.	175	115	185	185

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints processed.	15	17	15	18
● Disciplinary actions taken.	6	8	6	8
● Number of complaints received.	15	17	15	18
● Average days to renew license.	30	30	30	30
● Average days to investigate complaint.	90	90	90	90
● Number of licenses.	1,350	1,450	1,475	1,500



**AGENCY SUMMARY  
DEPARTMENT OF GAMING**

Paul A. Bullis, Director GMA  
 Contact: Penny Taylor Moore, Deputy (602) 604-1801  
 Director, Administration  
 A.R.S. § 5-601

**Agency Mission:**

To protect the public, ensure compliance with the gaming compacts, and regulate the gaming industry

**Agency Description:**

The Department of Gaming is responsible for carrying out the state's responsibilities under the Tribal-State gaming compacts. The Department monitors compliance by the Tribal gaming operations with all compact requirements, including those governing the nature, extent, and conduct of gaming activities; public health, safety, and welfare; and other operational requirements. It 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 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ENFORCEMENT	1,083.9	47,556.1	75,641.0
➤ CERTIFICATION	3,964.9	1,528.6	1,528.6
Agency Total	5,048.8	49,084.7	77,169.6

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	5,048.8	10,920.0	11,481.7
Other Non-Appropriated Fund	0.0	38,164.7	65,687.9
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	5,048.8	49,084.7	77,169.6
FTE Positions	75.0	105.0	105.0

**Strategic Issues**

**Strategic Issue Number: 1**

*The unique regulatory relationships between the tribal, state, and federal governments*

The Legislature established the Arizona Department of Gaming in 1995 to monitor Indian gaming operations on behalf of the State of Arizona. Formal agreements required by federal law known as tribal-state gaming compacts were negotiated between the State and tribes seeking to conduct gaming activities. The Tribal-State compacts provide a regulatory framework whereby the State and tribes share responsibility for regulating Class III gaming operations. These compacts are unique due to the State's co-regulatory role set forth in the compacts.

**Strategic Issue Number: 2**

*The rapid changes in technology in the industry*

Developments in gaming technology are transforming the gaming industry and consequently the way we regulate 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 increased from a 12 – 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. The day-to-day regulation of this industry will be more efficient and effective by the development and administration of an enterprise database system to track, compile, organize, sort, and report regulatory information.

**Strategic Issue Number: 3**

*The 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 wants 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. Also, the Department also wants 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 employee's skill sets and needs to the rewards that the job qualities and organizational opportunities provide.

**GMA.1 PROGRAM SUMMARY  
ENFORCEMENT**

Contact: Dave Arnell, Deputy Director, Operations  
 Phone: (602) 604-1801  
 A.R.S. § 5-601

**Program Mission:**

*To monitor compliance with the provisions of the Tribal-State gaming compacts.*

**Program Description:**

The Department of Gaming monitors Tribal compliance with the compact provisions, including those governing the nature, extent and conduct of gaming activities. This is accomplished through inspections of the gaming facilities and records, testing of gaming devices during both scheduled and random inspections, and testing internal controls. The Department of Gaming's enforcement function is funded through a gaming device assessment established in Section 12(b) of the Tribal-State compacts.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,083.9	9,391.4	9,953.1
Other Non-Appropriated Fund	0.0	38,164.7	65,687.9
Federal Funds	0.0	0.0	0.0
Program Total	1,083.9	47,556.1	75,641.0
FTE Positions	51.0	79.0	79.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To Assure Compliance with Compact Provisions and Internal Control Requirements

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of compact compliance reviews accomplished.	11	2	9	15

The number of compact compliance reviews for FY 2003 was significantly lower than originally estimated due to the negotiation and implementation of new compacts. In FY 2004, the department will begin conducting compact compliance reviews under the new compacts. This process will begin in November 2003. By FY 2005, the department expects to be conducting a compact compliance review for each tribe (15).

● Percentage of facilities reviewed for compact compliance reviews.	71	30	60	100
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For Fiscal Years 2004 and 2005, the "percentage of facilities reviewed for compact compliance" should instead read the "percentage of tribes reviewed" to reflect compliance reviews under the new compacts.

◆ Goal 2 - To maintain communication with tribal officials

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Visit each gaming facility twice a month.	4	4	4	4

Although the performance measure is to visit each gaming facility twice a month, the number of visits is on average four per month.

◆ Goal 3 - To Monitor and Enforce Technical Standards for Gaming Devices

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of machines certified.	5,546	7,361	7,300	7,300
● Percent of all machines certified.	100	100	100	100

GMA.2 PROGRAM SUMMARY  
CERTIFICATION

Contact: Dave Arnell, Deputy Director, Operations  
Phone: (602) 604-1801  
A.R.S. § 5-601

**Program Mission:**

To investigate and evaluate the suitability of applicants for state certification within time frames set by Tribal-State compacts.

**Program 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 who 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

General Funds	0.0	0.0	0.0
Other Appropriated Funds	3,964.9	1,528.6	1,528.6
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>3,964.9</b>	<b>1,528.6</b>	<b>1,528.6</b>
<b>FTE Positions</b>	<b>24.0</b>	<b>26.0</b>	<b>26.0</b>

**Program Goals and Performance Measures:**

◆ Goal 1 - To Ensure the Suitability of Individual Applicants Employed by the Casino Facilities

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of individual applications received.	12,383	12,425	12,700	12,700
● Total number of days elapsed from receipt of completed application to the issuance of temporary certification.	16	16	16	16
● Percentage of applicants granted certification or renewal.	98	98	98	98
● Percentage of applicants who had their certification revoked or suspended.	1	1	1	1

◆ Goal 2 - To Ensure the Suitability of Business Applications

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of new or initial applications received.	97	103	105	105
● Total number of permanent certifications issued.	69	102	105	105
● Total number of renewals issued.	124	255	350	350
● Total number of denials.	0	1	6	6
● Percentage of temporary certifications issued within 20-day target timeframe.	65	70	70	70
● Level of satisfaction by applicants regarding process (percent).	95	95	95	95



AGENCY SUMMARY	
BOARD OF HOMEOPATHIC MEDICAL EXAMINERS	
Christine Springer, Executive Director	HEA
Contact: Christine Springer, Executive Director	(602) 542-8154
A.R.S. § 32-2901	

**Agency Mission:**

To protect the public health, safety, and welfare by regulating M.D. or D.O. physicians who apply for a homeopathic medical license to practice within the State of Arizona. The Board also registers individuals who serve as homeopathic medical assistants under the supervision of licensed homeopathic physicians.

**Agency Description:**

The Board of Homeopathic Medical Examiners 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, permits, and registrations 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.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	57.9	74.8	72.9
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>57.9</b>	<b>74.8</b>	<b>72.9</b>
FTE Positions	1.0	1.0	1.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Public Information*

Refine new website to maintain faster delivery and exchange of information to the public and licensees. Update within seven days of board meeting

**Strategic Issue Number: 2**

*IT Plan*

Attend training in Access database program. Begin process of developing a database system that will provide a speedy and comprehensive government and public information source. Complete database for medical assistants. Investigate feasibility of placing information on-line (Note: actual implementation dependent upon funding).

**Strategic Issue Number: 3**

*Public protection*

Examine the practices of non-licensed persons practicing homeopathy, establish a rapport and common interest with nationally certified practitioners, investigate means of certifying such persons in this State, and devise a plan to protect the public from non-licensed unscrupulous practitioners.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To issue, renew, or deny licenses, permits, and registrations

in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Applications received.	24	30	34	34
● New licenses issued.	23	30	32	32
● Licenses eligible for renewal.	201	232	225	225
● Number of licenses renewed.	188	207	192	195
● Renewal receipts mailed within 72 hours of receipt of completed application.	94	200	205	210
● Average number of days from receipt of completed application to issuance or denial of certification.	53	41	50	55

- ◆ Goal 2 - To receive, investigate, and adjudicate complaints consistent with the published timeframes of the board.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of complaints resolved within 120 days.	26	61	38	40
● Number of complaints or inquiries received.	18	12	17	17
● Complaints resolved by taking disciplinary action against licensee.	6	8	9	10
● Suspension.	0	1	1	1
● Average number of days per investigation from start to final adjudication.	157	182	180	190
● Percent of licensees with disciplinary action.	4	2	3	4
● Total number of investigations conducted.	25	18	27	27

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Requests for information received.	2,408	2,623	2,600	2,620
● Percent of information inquiries responded to within 48 hours.	95	95	95	95





**AGENCY SUMMARY  
INDUSTRIAL COMMISSION OF ARIZONA**

Larry Etchechury, Director ICA  
 Contact: Robert Harvey, Administrator (602) 542-1839  
 A.R.S. § 23-108.01

**Agency 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.

**Agency Description:**

The Industrial Commission is a regulatory agency that was created in 1925. While the Commission still is responsible for overseeing the state workers' compensation system, its role over the years has been expanded to cover other labor-related issues, including occupational safety and health, youth employment laws, resolution of wage related disputes, licensing of employment counseling and talent agencies, vocational rehabilitation, and provision of workers' compensation benefits for claimants of uninsured employers, insolvent carriers and bankrupt self-insured employers.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATIVE SERVICES	3,074.5	3,390.8	3,328.9
➤ WORKERS COMPENSATION CLAIMS ASSURANCE	2,778.7	3,161.0	3,080.5
➤ ADJUDICATION OF DISPUTES	4,586.8	4,841.6	4,738.3
➤ LABOR LAW ADMINISTRATION	589.6	662.5	627.4
➤ OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION	5,717.4	6,787.6	6,769.2
➤ SPECIAL FUND CLAIMS PROCESSING	734.6	878.8	844.8
➤ LEGAL COUNSEL	1,149.3	1,379.7	1,308.6
Agency Total	18,630.9	21,102.0	20,697.7

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	14,967.5	16,498.8	16,094.5
Other Non-Appropriated Fund	196.7	219.9	219.9
Federal Funds	3,466.7	4,383.3	4,383.3
Agency Operating Funds Total	18,630.9	21,102.0	20,697.7
FTE Positions	310.0	310.0	310.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Insolvent carriers*

The Industrial Commission's Special Fund is a guarantee fund that is responsible for, among other things, paying workers compensation

benefits to the claimants for those insurance carriers and self-insured employers who have become insolvent. Because of the continuing number of insolvencies, the Special Fund has been severely impacted. In an effort to address issues that are currently impacting the Special Fund, the Industrial Commission will be evaluating the need to seek passage of future legislation in two areas: A. The first area deals with the administrative processing of insolvent claims. Currently, in accordance with statute, injured workers claims are assigned to the State Compensation Fund (SCF) who process them. Benefits paid are reimbursed from the assets of the carrier and the Special Fund. A 15% processing fee is paid to the SCF by the Special Fund for processing of these claims. We are looking at the possibility of bringing that claims processing in-house without additional personnel. We are also looking at continuing the same options that currently exist in statute (assigning the claims to the SCF) but also offering the ability of other entities to also be assigned those claims for processing. B. The second area deals with the several issues that have already impacted the Special Fund. This issue is primarily focused on ensuring that sufficient deposits are in place in Arizona to cover potential insolvency's. The issues that need to be addressed include issues like deposits for high deductible policies, companies being allowed to be reinsured by affiliate companies, and securities that are being used as deposits that have the potential to decrease in value. While the Commission will be evaluating the need to address these issues in terms of legislation, neither of these issues is expected to increase expenditures for the Industrial Commission.

**Strategic Issue Number: 2**

*Upgrade Claims Monitoring System and Hearing Processing System*

The agency is in the process of upgrading these two systems, which have been in place and unchanged since 1990. Concerning the claims monitoring system we are in the process of integrating the existing system with the File Net scanning system and the Wang database system in an integrated data repository and transaction processing for all workers' compensation claims filed in Arizona by injured workers. Additionally, we are upgrading the system by which we process requests for hearing regarding workers' compensation claims. This action will be done by our existing Data Processing staff without requiring additional staff or funds.

ICA.1 **PROGRAM SUMMARY  
ADMINISTRATIVE SERVICES**

Contact: Glenn M. Hurd, Accounting Manager  
 Phone: (602) 542-5380  
 A.R.S. § 23-1, Art. 1

**Program Mission:**

*To provide support services necessary to ensure the efficient and effective operation of the Industrial Commission.*

**Program Description:**

Provides the following services: (1) Budgeting; (2) Accounting; (3) Data Processing; (4) Purchasing; (5) Facilities Management; (6) Workers' compensation statistical reporting; (7) Ombudsman's Office for Workers' Compensation; (8) Printing and mailing services; (9) Personnel services; (10) Processing and evaluation of applications for self-insured employers; (11) Approval of insurance carriers surety deposit requirements; and (12) Federal grant administration.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

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General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,966.2	3,285.8	3,223.9
Other Non-Appropriated Fund	24.8	25.4	25.4
Federal Funds	83.5	79.6	79.6
<b>Program Total</b>	<b>3,074.5</b>	<b>3,390.8</b>	<b>3,328.9</b>
<b>FTE Positions</b>	<b>47.0</b>	<b>47.0</b>	<b>47.0</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To process all personnel actions in an effective manner on a timely basis.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Actions processed.	1,808	2,139	2,200	2,200
● Percent of Agency staff turnover.	12.5	6.95	10.5	10.5
● Administration as a percent of total cost.	10.2	9.2	9.2	9.2

- ◆ Goal 2 - To process all accounting transactions correctly on a timely basis.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Claims and purchase orders issued.	2,867	2,940	2,950	3,000
● Warrants issued.	16,355	20,580	15,800	16,000
● Average invoices not processed at months end.	190	280	200	200
● Average invoices not paid at month's end.	67	62	70	70
● Requisitions processed.	645	670	675	675

- ◆ Goal 3 - To process all self insurance applications and renewals efficiently and in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Renewals and applications processed.	109	105	120	120

- ◆ Goal 4 - To resolve problems concerning claims of injured workers in efficient manner on a timely basis.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of claimants contacted.	5,602	3,785	5,000	5,000
● Claimants' cases resolved.	51	100	100	100

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 Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,623.4	2,984.0	2,903.5
Other Non-Appropriated Fund	155.3	177.0	177.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>2,778.7</b>	<b>3,161.0</b>	<b>3,080.5</b>
<b>FTE Positions</b>	<b>84.0</b>	<b>84.0</b>	<b>84.0</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To ensure that permanent disability awards are issued in timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Awards issued.	3,720	3,432	3,042	3,042
● Percent of awards issued within 80 days.	39	52	62	62

- ◆ Goal 2 - To complete employees average monthly wage in most effective, efficient manner possible.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of wage determinations issued.	16,585	16,259	17,500	17,500
● Percent determined within 45 days.	86	96	95	95

- ◆ Goal 3 - To process lump sum settlement requests in the most efficient manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Lump sum requests processed.	56	71	60	60
● Percent of requests processed within 15 days.	75	80	90	90

- ◆ Goal 4 - To process initial filing of Workers Compensation Claims on timely basis.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of claims for workers' compensation processed.	138,839	140,993	155,000	155,000
● Percent processed within five days.	97	97	97	97

<p>ICA.2                      PROGRAM SUMMARY</p> <p><b>WORKERS COMPENSATION CLAIMS ASSURANCE</b></p> <p>Contact: Noreen Thorsen, Manager                  Phone: (602) 542-4661                  A.R.S. § 23-6</p>
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**Program Mission:**

*To ensure that all workers' compensation claims are processed in accordance with the rules and laws of Arizona.*

**Program Description:**

- ◆ Goal 5 - To ensure that workers' compensation claims are processed in a timely and efficient manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction rating for workers' compensation program (Scale 1-8).	7.0	7.0	7.0	7.0

- ◆ Goal 2 - To process requests for hearing in the most efficient, cost effective manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Awards issued without hearing.	4,958	5,055	5,083	5,147
● Number of hearings conducted by the administrative law judge division.	6,650	7,382	7,332	7,699

ICA.3                      PROGRAM SUMMARY  
**ADJUDICATION OF DISPUTES**

Contact: Harriet Turney, Chief Judge  
Phone: (602) 542-5247  
A.R.S. § 23-6, Art. 3

ICA.4                      PROGRAM SUMMARY  
**LABOR LAW ADMINISTRATION**

Contact: Orlando Macias, Director  
Phone: (602) 542-4515  
A.R.S. § 23-3, Art 2, 23-2, Art 3, 7

**Program Mission:**

*To adjudicate legal disputes in the areas of workers' compensation, occupational safety and health (OSHA) and youth employment.*

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	4,586.8	4,841.6	4,738.3
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>4,586.8</b>	<b>4,841.6</b>	<b>4,738.3</b>
FTE Positions	55.0	55.0	55.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To process and set hearings so that they are heard in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of petitions for hearing received: Workers Compensation.	8,405	8,623	8,833	7,150
● Petitions for hearing received: OSHA.	100	62	70	80
● Awards issued: Workers' Compensation.	7,704	8,137	8,140	8,368
● Average number of days to resolve a case by the administrative law judge division.	125	133.5	127	125
● Customer satisfaction rating for workers' compensation program (Scale 1-8).	6.8	7.1	7.3	7.5

**Program Mission:**

*To provide for the administration of labor laws for the protection of wage claimants, youth employees and users of employment agencies.*

**Program Description:**

The program shall enforce all statutes and rules concerning the resolution of wage complaint disputes, the licensing and regulation of private employment agencies, and the enforcement of youth employment laws which involve the issuing of penalties for violations.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	573.0	645.0	609.9
Other Non-Appropriated Fund	16.6	17.5	17.5
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>589.6</b>	<b>662.5</b>	<b>627.4</b>
FTE Positions	15.0	15.0	15.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To efficiently enforce the Child Labor Laws in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of injury reports reviewed.	1,309	1,162	1,200	1,200
● Child labor law violations investigated.	259	149	200	200
● Violations confirmed.	86	42	75	75
● Turnover time (time violations known to Labor to time violation confirmed ( in days)).	36	31	45	45

- ◆ Goal 2 - To efficiently process and investigate wage claims in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of claims filed.	3,196	3,153	3,200	3,200
● Average months to complete investigation.	3.5	3.5	3.5	3.5

◆ Goal 3 - To efficiently process and monitor the licensing of private employment agencies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average months to complete investigation.	1.48	2.25	2.25	2.25
● Percent of licenses processed within 90 days.	100	.83	.90	.90
● License applications processed.	6	6	6	6
● Complaints investigated.	19	19	25	25

◆ Goal 2 - To provide effective and timely voluntary consultation services to aid employers in recognizing and abating work place hazards.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Safety consultation surveys.	667	542	600	600
● Hazards.	1,565	1,049	1,200	1,200
● Health consultation surveys.	252	216	225	225
● Hazards.	402	299	300	300

◆ Goal 3 - To provide statewide training programs to employees concerning specific safety related functions that are timely and effective.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Programs.	360	356	400	400
● Employers trained.	4,186	3,414	4,000	4,000
● Employees trained.	5,257	4,698	5,000	5,000

◆ Goal 4 - To ensure that there is no danger to employees or the general public from Arizona boilers or elevators.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Boilers inspected.	3,341	3,381	3,300	3,400
● Deficiencies identified.	648	602	700	700
● Elevators inspected.	5,300	5,398	5,400	5,400
● Deficiencies identified.	2,053	1,890	2,000	2,000

ICA.5 PROGRAM SUMMARY  
**OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION**  
 Contact: Darin Perkins, Director  
 Phone: (602) 542-5795  
 A.R.S. § 23-2, Art 10

**Program Mission:**

*To ensure the safety of employees in the State of Arizona covered by the Arizona Occupational Safety and Health Act.*

**Program 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 Arizona Division of Occupational Safety and Health focuses its efforts on compliance and consultation as it relates to Arizona's Occupational Safety and Health Act.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,334.2	2,483.9	2,465.5
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	3,383.2	4,303.7	4,303.7
<b>Program Total</b>	<b>5,717.4</b>	<b>6,787.6</b>	<b>6,769.2</b>
FTE Positions	67.0	67.0	67.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To effectively enforce all OSHA standard in safety compliance and industrial hygiene.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of health compliance inspections.	418	460	450	450
● Health violations.	1,021	1,311	1,350	1,350
● Number of safety compliance inspections.	1,476	1,763	1,600	1,600
● Safety violations found.	1,448	1,728	1,650	1,650

ICA.6 PROGRAM SUMMARY  
**SPECIAL FUND CLAIMS PROCESSING**

Contact: David Sosa, Special Fund Manager  
 Phone: (602) 542-3294  
 A.R.S. § 23-1065(B-G)

**Program Mission:**

*To provide benefits to all injured employees not covered by regular workers' compensation insurance coverage or by self-insurance coverage in Arizona.*

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	734.6	878.8	844.8
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>734.6</b>	<b>878.8</b>	<b>844.8</b>

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FTE Positions	19.0	19.0	19.0
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**Program Goals and Performance Measures:**

- ◆ Goal 1 - To process claims of injured Special Fund claimants in timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average days between receipt of claims notice and issuance of award.	18.0	14.5	14.0	14.0
● Supportive care awards issued.	44	40	38	35
● No insurance awards issued.	3,986	2,954	2,700	2,500
● Rehabilitation awards issued.	121	150	160	170

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Apportionment/Supportive Care Matters.	112	117	115	115
● Number of wage claim appeals.	3	6	7	7
● Litigation investigations completed.	83	124	100	100

- ◆ Goal 2 - To effectively collect debts owed to the Industrial Commission.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Collection investigations completed.	38	39	40	40
● Collection files opened.	433	584	448	455
● Delinquent collection accounts to outside counsel.	153	223	190	200
● Subrogation files opened.	12	14	12	12

- ◆ Goal 3 - To effectively enforce compliance by Arizona employers with Arizona Workers' Compensation Insurance requirements.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of compliance referrals.	1,780	2,381	2,000	2,000
● Employers identified as uninsured.	N/A	1,096	1,000	1,000
● Compliance investigations completed.	392	830	600	600
● Civil penalties issued.	539	138	100	100
● Employers insured through our efforts.	N/R	124	150	150
● Injunctive proceeding initiated.	20	9	15	20



ICA.7 PROGRAM SUMMARY  
**LEGAL COUNSEL**

Contact: Laura L. McGrory, Chief Counsel  
 Phone: (602) 542-5781  
 A.R.S. § 41-192

**Program Mission:**

*To represent the Industrial Commission of Arizona in all legal matters affecting the Agency.*

**Program Description:**

The program represents the Special Fund in all legal decisions affecting Special Fund claimants, the OSHA Division regarding the enforcement of the Arizona Occupational Safety and Health Act, and the Labor Department in the enforcement of youth employment matters, wage claim appeals and the regulation of employment agents under the Labor Department's jurisdiction. The program assists in promulgating rules for the Agency, provides legal advice as requested to the Commission and agency staff, represents the Agency in personnel matters, initiates collection of no-insurance accounts receivable and third party liens, and operates a program for processing and collection of other delinquent accounts. The program also ensures compliance by Arizona employers with workers' compensation coverage requirements.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,149.3	1,379.7	1,308.6
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,149.3</b>	<b>1,379.7</b>	<b>1,308.6</b>
FTE Positions	23.0	23.0	23.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide quality legal representation to the Agency in contested legal matters.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● No Insurance hearings.	178	211	210	220
● OSHA cases referred for hearing.	96	73	100	100

**AGENCY SUMMARY  
DEPARTMENT OF INSURANCE**

Charles R. Cohen, Director IDA  
 Contact: Scott B. Greenberg, Chief Operating Officer (602) 912-8406  
 A.R.S. § 20-101

**Agency Mission:**

To faithfully execute the state insurance laws in a manner that protects insurance consumers and encourages economic development.

**Agency 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. Title 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 \$225 million in insurance premium taxes and other revenues that benefit the General Fund.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ POLICY AND ADMINISTRATION	1,336.5	1,479.7	1,479.7
➤ SOLVENCY REGULATION	8,579.7	11,908.6	9,488.6
➤ CONSUMER SUPPORT	5,706.7	5,575.0	5,575.0
➤ FRAUD INVESTIGATION AND DETERRENCE	933.1	993.6	993.6
➤ LICENSING	639.7	633.7	633.7
➤ PREMIUM TAX COLLECTIONS AND ANALYSIS	131.4	139.9	139.9
➤ CAPTIVE INSURER PROGRAM	52.4	161.8	161.8
Agency Total	17,379.5	20,892.3	18,472.3

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	5,719.4	6,205.8	6,205.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	11,660.1	14,686.5	12,266.5
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	17,379.5	20,892.3	18,472.3
FTE Positions	156.3	158.0	158.0

**Strategic Issues****Strategic Issue Number: 1**

*Preservation of state-based insurance regulation through modernization of state insurance laws, rules, and regulatory practices.*

The most critical issue facing Arizona and other states is the modernization and preservation of the system of state regulation of the insurance industry. A recurring issue is whether state regulation of the insurance industry is effective enough to protect consumers in national and global markets and efficient enough to allow insurers to compete in those markets. There is a growing interest in creating federal regulatory system for the insurance industry. Two proposals were circulated in Congress during 2002 (one by Rep. LaFalce and one by Sen. Schumer) that would, to varying degrees, supplant state insurance regulation with federal insurance regulation. In addition, several proposals for a federal insurance charter have been initiated by various interest groups, including proposals by the American Council of Life Insurers, an insurance trade group; the Association of Banks-in-Insurance, an association of bank-insurance providers; the American Insurance Association, a property and casualty insurance association; and, the Independent Insurance Agents and Brokers of America, an association of insurance producers. On July 8, 2003, Senator Hollings introduced S1373, the Insurance Consumer Protection Act of 2003. This bill would establish a federal insurance regulatory system that would usurp state oversight almost entirely. The Hollings bill would create a Federal Insurance Commission as part of the U.S. Department of Commerce, which would serve as the only regulator for interstate insurers. Arizona would only have regulatory authority over insurers that do business solely in Arizona. In an effort to meet the challenge to state regulation, and understanding that efficient regulatory systems tend to promote beneficial competition within each state, the Arizona Department of Insurance and other state insurance regulators are, with considerable input from consumers and industry constituencies, working to foster a sound, competitive and market-responsive insurance industry by delivering a more efficient state-based regulatory system. The modernization efforts include: 1) Product regulation reform; 2) Multi-State licensing initiatives; and 3) continuous improvement.

**Strategic Issue Number: 2**

*Technology in the insurance market and in insurance regulation.*

The Internet and information technology have changed how insurance is marketed and regulated, and have increased both challenges and opportunities to the Department's ability to deliver efficient and effective services that meet customer expectations. The insurance marketplace has changed in terms of how technology is employed to market insurance products. The responsibilities of state insurance regulators in this area remain the same as with other insurance business systems. These responsibilities include, but are not limited to fostering industry efficiency, competition and availability/affordability of insurance products, while administering state insurance laws that protect insurance consumers and promoting a fair, competitive, and financially sound insurance marketplace. To aid in meeting these responsibilities, the Department must monitor Internet-based insurance sales practices, identify those transacting insurance electronically, and ensure that only licensed insurance professionals are conducting transactions. The Department, other insurance regulators, and the NAIC are currently identifying laws and regulatory resources needed to provide appropriate consumer protection while allowing electronic commerce to flourish. The advent of technology has increased the challenge for the Department in attracting and retaining employees who possess the increasing array of skills and expertise necessary in today's electronic regulatory environment. As the required skill set broadens, the salaries offered by the state become increasingly disparate to salaries offered in the private sector.

**Strategic Issue Number: 3**

*Delivery of assistance to Arizona insurance consumers.*

Delivering prompt assistance to Arizona insurance consumers is a core function of the Department of Insurance. In an open competition regulatory environment, it is critical that the Department is capable of providing consumer assistance and information to enable consumers to make informed decisions and to take advantage of this competitive environment. The Department also helps find insurance alternatives for consumers who have encountered difficulty finding insurance coverage. The Department provides consumer assistance and information through its consumer publications, and by responding to consumer complaints and

requests for assistance. Insurance consumers benefit from a marketplace characterized by competition and consumer protection. The Department encourages these traits by analyzing consumer complaints and determining if there are any violations, thereby not only protecting insurance consumers directly, but also promoting an environment that fosters fair competition. Often, prior to seeking assistance from the Department, an insurance consumer will have had to endure a lengthy, unsatisfactory process in dealing with their insurance company or agent. The Department is also faced with the challenge of having to prioritize certain issues (for example, cancellations of auto insurance) while trying to be responsive to other consumer complaints. During the past two years, the Department has been faced with budget reductions, which have prevented the Department from adding employees to the Consumer Affairs Division to address caseload increases. These factors, combined, have led to the diminution of satisfaction with the service we are delivering.

**Strategic Issue Number: 4**

*New responsibilities for overseeing health care delivery by HMO'S.*

Prior to 2000, the regulatory scheme governing health care service organizations (HCSOs or HMOs) and prepaid dental plan organizations (PDPOs) in Arizona bifurcated responsibility between the Department of Insurance and the Department of Health Services (DHS). In 2000, the Arizona Legislature enacted Senate Bill 1330 and Senate Bill 1172, which altered the scheme by transferring all DHS responsibilities to the Department effective July 1, 2001. In 2000, the Legislature also enacted HB 2600, which, effective January 1, 2001, established health care provider timely pay and grievance requirements to be enforced by the Department that apply to all health care insurers, not just HCSOs. A key issue for the Department in carrying out its new responsibility to oversee the delivery of health care services by HCSOs is the need for appropriate regulatory standards. When it received the HCSO oversight function, the Department assumed the responsibility for making and enforcing those standards, pursuant to A.R.S. § 20-1054(A)(2). On June 29, 2001, the Department promulgated temporary rules (R20-6-1901 to R20-6-1911) that became effective July 1, 2001, that were substantially similar to those that had been promulgated by DHS (in R9-12-101 to R9-12-116, now repealed). The purpose of the temporary rules was to assure the Department had the authority to enforce the existing regulatory standards while progressing with the complex process to update them. Those regulatory standards have not been significantly revised since 1973 and do not adequately address many of the issues that currently confront consumers, the industry and the Department, such as up-to-date standards for network adequacy.

**Strategic Issue Number: 5**

*Fight against insurance fraud.*

Insurance fraud is a serious social and economic problem in the United States. Insurance fraud perpetrators range from large organized groups to individual opportunists. This form of fraud affects every person in Arizona by inflating insurance costs for personal and commercial insurance products. Having a Fraud Unit within the Insurance Department is crucial to achieving a properly balanced approach to combating insurance fraud. The Insurance Department is focused on protecting honest insurance consumers. Having an independent Fraud Unit within the Insurance Department, and requiring insurers to refer cases to the Unit when they believe "...a fraudulent claim has been or is being made" [A.R.S. § 20-466(G)] reduces the opportunity for insurers to apply overly broad fraud deterrence measures that could adversely affect honest claimants. Peace officer authority has allowed the Unit to be more efficient and effective by enabling investigators to obtain and serve warrants, and to engage in proactive investigations of complex insurance fraud schemes. However, even with the efficiencies brought about by being granted peace officer status, the Fraud Unit's effectiveness is limited by resource problems. The budget reductions imposed during the last two years have eliminated two fraud investigator positions that had been part of the Department's original FY 2002 appropriation, required the Department to keep two of its twelve remaining fraud investigator positions vacant, and required the Department to cut back on intergovernmental prosecution services, from three assigned prosecutors to one. The Unit has had to significantly

narrow its targeting of cases, with only those of the greatest magnitude being investigated. Even with narrowed targeting, as of June 30, 2003, there were 154 fraud referrals awaiting the completion of investigations and 144 cases awaiting the completion of criminal prosecution. The Fraud Unit only has sufficient funding to pay for one attorney from the Office of the Attorney General. This does not provide adequate resources for case prosecution. The Citations in Lieu of Detention (CLD's) mechanism, which allows for prosecution of misdemeanor violations, is an efficient means to combat lesser acts of insurance fraud, but it requires sufficient available prosecution services. A CLD gives a defendant the choice of paying a fine set by the Maricopa County Superior Court or appearing before a hearing in front of a judge. The Fraud Unit has no funding available to pay for prosecution services that could be provided by the Maricopa County Attorney's Office, and would enable Fraud Unit CLD's to be administered. Public awareness and education about the consequences of insurance fraud have been an important component of the Department's fraud program. The Department's fraud awareness activities focus on educating the public, law enforcement and the insurance industry that insurance fraud is a crime for which everyone pays a high price. Pursuant to A.R.S. § 20-466(J), the insurance industry is assessed to recoup the Fraud Unit budget. Recent legislation increased the maximum amount that can be assessed for each insurer (from \$700 to \$1,050); therefore, the Legislature has the flexibility of increasing the Fraud Unit budget with an ultimate cost-neutral effect. Because of the link between the assessment and the Fraud Unit budget, insurers are more sensitive to the quality of Fraud Unit activities, especially as it relates to the scope of cases that can be investigated, the timeliness of investigation completion, and the outcomes of case referrals.

**Strategic Issue Number: 6**

*New responsibilities for overseeing timely pay and grievance law.*

When the timely pay and grievance law took effect on January 1, 2001, it established new requirements for health insurers' timely payment of health care provider claims and resolution of health care provider grievances. The law sets time limits and related standards for claims processing, requires insurers to have an effective internal system for resolving grievances, and requires insurers to file semi-annual grievance reports with the Department. Since that time, the Department has been building a program, but still lacks adequate resources to manage and evaluate the wealth of available data, to target and supervise necessary examinations or to educate insurers or providers about the law. As the Department has enforced this law, it has become aware of unexpected enforcement challenges, including the fact that the law is not necessarily consistent with insurers' established business practices and system. As the Department's enforcement program for this law matures, it will be necessary to revise the law or promulgate more detailed regulatory standards.

IDA.1

**PROGRAM SUMMARY  
POLICY AND ADMINISTRATION**

Contact: Charles R. Cohen, Director

Phone: (602) 912-8400

A.R.S. Title 20; A.A.C. Title 4, Ch. 14

**Program Mission:**

*To provide leadership, direction, coordination and support, enabling the Agency to achieve its mission.*

**Program 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





General Funds	316.4	266.0	266.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	8,263.3	11,642.6	9,222.6
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>8,579.7</b>	<b>11,908.6</b>	<b>9,488.6</b>
FTE Positions	41.7	42.2	42.2

**IDA.2.1 SUBPROGRAM SUMMARY**  
**FINANCIAL CONDITION AND SOUNDNESS OVERSIGHT**  
 Contact: Steven P. Ferguson, Assistant Director  
 Phone: (602) 912-8420  
 A.R.S. § 20-156, 20-159, 20-169 to 20-172, Ch. 2-

**Subprogram Mission:**

*To detect and deter insurer financial deficiencies and unsound practices as early as possible.*

**Subprogram Description:**

This subprogram monitors the financial condition of authorized insurers. It reviews quantitative and qualitative financial information obtained from insurers and other sources to enforce compliance with statutory requirements, to detect hazardous financial conditions and to recommend corrective actions. The subprogram analyzes financial filings, such as Annual and Quarterly Statements, Management Discussion & Analysis reports, Audited Financial Reports and Reports of Examination; schedules, plans and performs statutorily required and analytically targeted financial examinations of insurers; oversees insurers' compliance with statutory deposit requirements; and, reviews requests for approval of transactions, such as, acquisitions, mergers, withdrawals, reinsurance and certain transactions with affiliates, including extraordinary dividend distributions.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	316.4	266.0	266.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	3,012.8	3,468.9	3,468.9
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>3,329.2</b>	<b>3,734.9</b>	<b>3,734.9</b>
FTE Positions	31.5	32.0	32.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To timely, efficiently and effectively examine domestic insurers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of domestic insurers examined within statutory time frames.	100.0	100.0	100.0	100.0
● Number of new domestic receiverships.	0	1	0	0

- ◆ Goal 2 - To efficiently and effectively analyze financially related filings of insurers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of priority domestic insurer annual financial reports analyzed by April 30th.	92.9	100.0	100.0	100.0
● Percent of priority domestic insurer supplemental filings analyzed within 45 calendar days after receipt.	77.8	99.2	100.0	100.0
● Percent of non-priority domestic insurer annual financial reports analyzed by June 30th.	59.6	100.0	100.0	100.0
● Percent of non-priority domestic insurer supplemental filings analyzed within 90 days after receipt.	96.0	100.0	100.0	100.0

- ◆ Goal 3 - To provide quality services to examination customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of examinees indicating "satisfied" or better.	87.2	77.8	80.0	80.0

**IDA.2.2 SUBPROGRAM SUMMARY**  
**INSOLVENCY ADMINISTRATION**  
 Contact: Leslie R. Hess, Deputy Receiver  
 Phone: (602) 912-8458  
 A.R.S. § 20-171 and 20-172, Ch. 3, Art. 4-7

**Subprogram Mission:**

*To minimize the impact of insurer insolvencies on Arizona residents.*

**Subprogram Description:**

This subprogram has two distinct components: the Receiver component and the Guaranty Funds component. The Receiver component seizes, administers and rehabilitates or liquidates the estates of insolvent Arizona insurers; collects and liquidates assets of insolvent insurers, including through litigation as necessary, and distributes assets to creditors according to statutory priority scheme; and, coordinates with other insurance regulators to assist Arizona consumers with foreign insolvencies. The Guaranty Funds component investigates, adjudicates and pays Arizona insureds and claimants who have valid outstanding claims against insolvent insurers (subject to statutory limits); provides for continued coverage under eligible contracts; assesses member insurers with the costs of administering and paying claims; and, issues certificates of contribution entitling assessed member insurers to offset premium taxes.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	5,250.5	8,173.7	5,753.7
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>5,250.5</b>	<b>8,173.7</b>	<b>5,753.7</b>
FTE Positions	10.2	10.2	10.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To maximize the ability of insolvent insurers to pay valid creditor claims.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate

- Receivership administrative expenses as a percentage of creditor payments for estates closed during the fiscal year.

It is impossible to predict the fiscal year in which a receivership will be closed or the amounts of administrative expenses and creditor payments that will have accumulated for that receivership. \*\*UNDEFINED - No receivership estates were closed during the year.

- ◆ Goal 2 - To efficiently and effectively administer the Guaranty Funds.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate

- Percentage by which investment earnings of the Guaranty Funds exceeded the 90-day T-bill rate.
- Claims handling audit score (perfect score = 100) for claims handled by the Guaranty Funds office.
- Claims handling audit score (perfect score = 100) for claims handled by contract claims adjusters.

IDA.3

**PROGRAM SUMMARY  
CONSUMER SUPPORT**

Contact: Gerrie L. Marks, Acting Deputy Director for Regulatory Affairs

Phone: (602) 912-8456

A.R.S. Title 20, A.A.C. Title 4, Ch. 14

**Program Mission:**

*To inform, assist and protect Arizona insurance consumers.*

**Program 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.

**This Program Contains the following Subprograms:**

- ▶ Consumer Information and Assistance
- ▶ Market Practices Oversight

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	2,502.2	2,772.7	2,772.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	3,204.5	2,802.3	2,802.3
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>5,706.7</b>	<b>5,575.0</b>	<b>5,575.0</b>
FTE Positions	62.8	62.8	62.8

IDA.3.1

**SUBPROGRAM SUMMARY**

**CONSUMER INFORMATION AND ASSISTANCE**

Contact: Mary M. Butterfield, Assistant Director

Phone: (602) 912-8430

A.R.S. Title 20, Ch. 2, Art. 5, 6, Ch. 7, 12, 13

**Subprogram Mission:**

To make available and promote insurance-related information and assistance to enable Arizona consumers to make informed decisions, and to facilitate the receipt of benefits to which they are entitled.

**Subprogram Description:**

This subprogram provides insurance-related information and assistance to insurance consumers and claimants in response to written, telephonic and in-person requests; provides insurance-related education and outreach to consumers and other governmental agencies and industry organizations to provide assistance and outreach; assists consumers, including businesses, in securing liability insurance for difficult-to-place risks; provides the public with informative publications, including insurer complaint ratios and premium comparisons; and, administers the health insurance external appeals process.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	724.9	997.1	997.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	536.4	270.0	270.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,261.3</b>	<b>1,267.1</b>	<b>1,267.1</b>
FTE Positions	24.1	24.1	24.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To efficiently and effectively make insurance-related information available to the public.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Survey responses indicating "satisfied" or better with publications.	91.6	70.4	80.0	80.0

- ◆ Goal 2 - To efficiently and effectively render assistance to consumers and other constituents on insurance-related matters.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of success in locating liability coverage for difficult-to-place risks.	99	97	95	95
● Percent of survey respondents indicating "satisfied" or better with assistance rendered.	73.4	70.4	80.0	80.0
● Average days to resolve request for assistance.	90.5	79.0	90.0	90.0

- ◆ Goal 3 - To efficiently and effectively administer health insurance external appeals process.

IDA.3.2 SUBPROGRAM SUMMARY  
**MARKET PRACTICES OVERSIGHT**

Contact: Gerie L. Marks, Acting Deputy Director for Regulatory Affairs

Phone: (602) 912-8456

A.R.S. Title 20, Ch. 2, Art. 4, 4.1, 4.2, 6

**Subprogram Mission:**

To protect Arizona insurance consumers from unfair and illegal market practices and to oversee insurer compliance with Arizona laws that promote effective health service delivery systems.

**Subprogram Description:**

This subprogram investigates insurers, insurance producers and other professional service licensees and unauthorized parties to assess compliance with Arizona law and recommends disciplinary action for violations; monitors the competitiveness of the property and casualty insurance marketplace; reviews rate filings to assess compliance with Arizona law; reviews policies, contracts and related forms, advertising and other marketing materials to verify they contain all provisions and coverages required by law and are not misleading; performs surveillance and examinations of insurers, including HMO's and prepaid dental plan organizations, to verify that claims, marketing, underwriting, rating practices and managed care delivery systems are in compliance with Arizona law; develops compliance standards for HMO and prepaid dental plan health service delivery systems; and, administers Arizona's healthcare provider timely pay and grievance law.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,777.3	1,775.6	1,775.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	2,668.1	2,532.3	2,532.3
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>4,445.4</b>	<b>4,307.9</b>	<b>4,307.9</b>
FTE Positions	38.7	38.7	38.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - 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.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average calendar days to complete an investigation after receipt of complaint warranting an investigation.	64.3	56.6	90.0	90.0

- ◆ Goal 2 - 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.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of P&C form filings on which review was completed within the prescribed substantive review period.	100	99	95	95
● Average calendar days to complete substantive review of P&C form filings.	9.7	7.9	20.0	20.0
● Percentage of L&H form filings on which review was completed within the prescribed substantive review period.	96	98	98	98

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average calendar days to complete substantive review of L&H form filings.	21.5	19.5	20.0	20.0
● Percentage of form filers surveyed indicating "satisfied" or better.	91.4	92.0	80.0	80.0
● Percent of form filings submitted electronically.	0	5.4	7.5	10.0

◆ Goal 3 - To efficiently and effectively review P&C rate filings to determine compliance with Arizona law.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of targeted open-competition rate filings (Article 4.1) reviewed within 90 calendar days from date filing received.	94.0	94.0	90.0	90.0
● Percentage of file-and-use rate filings (Article 4) reviewed by the effective date of the rates.	100.0	99.0	95.0	95.0
● Average to complete substantive review of file-and-use rate filings.	10.7	10.5	15.0	15.0

◆ Goal 4 - To efficiently and effectively monitor the competitiveness of the property and casualty insurance markets.

◆ Goal 5 - To efficiently and effectively analyze and examine insurers' marketing, claims, underwriting, rating practices and managed care delivery.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of market conduct examination reports filed within one year after exit from company for reports filed during the year.	45	73	85	90
● Amount of restitution recovered through market conduct examinations (in thousands of dollars).	788.0	152.8	700.0	700.0
● Percentage of market conduct examination draft reports sent to the company within 90 days after exit.	80	79	85	90

◆ Goal 6 - To efficiently and effectively monitor prepaid dental plan network adequacy, plan management, member services, and quality improvement systems.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of prepaid dental plan organization quarterly reports reviewed for compliance with laws and regulations.	100	100	95	95

◆ Goal 7 - To efficiently and effectively monitor health care service organization network adequacy, plan management, member services, quality improvement systems and utilization management.

◆ Goal 8 - To efficiently and effectively monitor health insurer compliance with timely pay and grievance laws.

IDA.4 PROGRAM SUMMARY  
FRAUD INVESTIGATION AND DETERRENCE

Contact: Terry L. Cooper, Fraud Unit Chief  
Phone: (602) 912-8418  
A.R.S. § 20-466 et. seq.

**Program Mission:**

*To deter, investigate, and facilitate conviction for, insurance fraud.*

**Program Description:**

This program receives investigative referrals from insurers and other sources, conducts criminal investigations of individuals, businesses and organizations alleged to be involved in submitting intentionally misleading claim-related information to insurers, or 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	933.1	993.6	993.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>933.1</b>	<b>993.6</b>	<b>993.6</b>
<b>FTE Positions</b>	<b>14.1</b>	<b>14.1</b>	<b>14.1</b>

**Program Goals and Performance Measures:**

◆ Goal 1 - To efficiently and effectively investigate fraud referrals.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of investigations completed from referrals. <small>Number does not include proactive cases. Proactive cases are ones initiated by the Department.</small>	378	275	275	275
● Number of cases from referrals submitted for prosecution. <small>Includes Citations In Lieu of Detention and excludes proactive cases.</small>	102	29	70	70
● Number of convictions from referral cases. <small>Excludes cases previously submitted for prosecution and awaiting judicial procedure.</small>	41	71	75	75
● Average calendar days to complete an investigation for investigations completed during the year. <small>FY2003 number does not include proactive cases. Proactive cases are ones initiated by the Department.</small>	278	57	125	150
● Percent of survey respondents indicating satisfied or better.	75.7	66.7	80.0	80.0

◆ Goal 2 - To efficiently and effectively conduct targeted, proactive fraud investigations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of targeted, proactive investigations completed.	312	179	50	50

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of targeted, proactive cases submitted for prosecution.	118	132	75	75
● Number of convictions from targeted, proactive cases.	N/A	6	25	25
● Total restitution ordered from proactive investigations (in thousands of dollars).	N/A	107.8	140.0	140.0

**Subprogram Mission:**

To render efficient, effective and quality licensing services to producers and other insurance-related service providers and to restrict license issuance and renewal to qualified applicants.

**Subprogram Description:**

This subprogram analyzes applications for licensure by producers and other insurance-related service providers, and grants licenses to those satisfying statutory prerequisites to provide insurance-related services in Arizona; biennially processes renewal applications of producers, adjusters, managing general agents, surplus lines brokers, and risk management consultants; annually processes renewal applications/filings from life and health insurance administrators, rating organizations, rate service organizations, utilization review agents and reinsurance intermediaries; and, oversees the administration of pre-license examinations and the continuing education program for certain licensees. This subprogram coordinates with other states regarding multi-state licensing issues.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	540.1	541.7	541.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	3.9	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>544.0</b>	<b>541.7</b>	<b>541.7</b>
<b>FTE Positions</b>	<b>11.3</b>	<b>11.3</b>	<b>11.3</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To efficiently and effectively process professional service license applications.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average Licensing Time Frames* (LTF) days required to render a decision on a producer license application from the date it was received.	16.1	15.5	22.5	25.0
*LTF 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 applications received.	45,818	50,634	53,000	57,000
● Total producers licensed at June 30.	83,577	91,577	100,000	110,000
● Percent of (new) license applications and fee payments received electronically.	0	0	0	5
● Percent of license renewal applications and fee payments received electronically.	0	0	0	5

- ◆ Goal 2 - To provide quality service to professional service license customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of survey respondents indicating "satisfied" or better.	88.2	89.4	80.0	80.0

<p>IDA.5 PROGRAM SUMMARY <b>LICENSING</b></p> <p>Contact: Scott B. Greenberg, Chief Operating Officer Phone: (602) 912-8400 A.R.S. Title 20, A.A.C. Title 4, Ch. 14</p>
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**Program Mission:**

To render efficient, effective and quality insurance licensing services and to restrict license issuance and renewal to qualified candidates.

**Program Description:**

This program analyzes applications for licensure by entities regulated under A.R.S. Title 20 and grants licenses to those satisfying statutory prerequisites to provide insurance products and services in Arizona; and, oversees the administration of related activities, such as producer continuing education and pre-license examinations.

**This Program Contains the following Subprograms:**

- ▶ Professional Service Licensing
- ▶ Insurer Licensing

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	621.9	619.5	619.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	17.8	14.2	14.2
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>639.7</b>	<b>633.7</b>	<b>633.7</b>
<b>FTE Positions</b>	<b>12.5</b>	<b>12.5</b>	<b>12.5</b>

<p>IDA.5.1 SUBPROGRAM SUMMARY <b>PROFESSIONAL SERVICE LICENSING</b></p> <p>Contact: Scott B. Greenberg, Chief Operating Officer Phone: (602) 912-8400 A.R.S. Title 20; A.A.C. Title 4, Ch. 14</p>
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**IDA.5.2 SUBPROGRAM SUMMARY  
INSURER LICENSING**

Contact: Steven P. Ferguson, Assistant Director  
Phone: (602) 912-8420  
A.R.S. Title 20; A.A.C. Title 4, Ch. 14

**Subprogram Mission:**

To render efficient, effective and quality licensing services to insurers and other insurance risk bearing entities and to restrict license issuance to qualified applicants.

**Subprogram Description:**

This subprogram analyzes applications for licensure by insurers and other insurance risk bearing entities and grants licenses to those satisfying statutory prerequisites to provide insurance products in Arizona. Licensees include insurers, reinsurers, health, medical, dental and optometric service corporations, health care services organizations, prepaid dental plan organizations, prepaid legal insurers, life care providers, foreign risk retention groups, risk purchasing groups, service companies and surplus lines insurers. This subprogram coordinates with other states regarding multi-state licensing issues.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	81.8	77.8	77.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	13.9	14.2	14.2
Federal Funds	0.0	0.0	0.0
Subprogram Total	95.7	92.0	92.0
FTE Positions	1.2	1.2	1.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To efficiently and effectively process insurer license applications.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 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.	39.2	39.0	60.0	60.0

\*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 insurer license customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of survey respondents indicating "satisfied" or better.	97.8	100.0	85.0	85.0

**IDA.6 PROGRAM SUMMARY  
PREMIUM TAX COLLECTIONS AND ANALYSIS**

Contact: Scott B. Greenberg, Chief Operating Officer  
Phone: (602) 912-8400  
A.R.S. § 20-224 et. seq.

**Program Mission:**

To fully collect, efficiently deposit and accurately forecast insurance premium tax revenues.

**Program 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	131.4	139.9	139.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	131.4	139.9	139.9
FTE Positions	2.7	2.7	2.7

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To fully collect the premium tax required by law.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of prior fiscal year premium tax returns audited.	100.0	100.0	97.5	97.5
● Amount of tax, interest and penalties recovered through audits (in millions of dollars).	0.7	0.4	0.4	0.4

- ◆ Goal 2 - To efficiently deposit premium tax revenues.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average work days from date tax payment received to deposit with State Treasurer.	2.2	3.1	3.0	3.0
● Percent of premium tax (installment and annual) reports and payments received electronically.	0	0	0	0

- ◆ Goal 3 - To accurately forecast premium tax revenues.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Difference (absolute value) between tax revenue forecast and actual fiscal-year tax revenues collected.	9.4	4.4	2.0	2.0



**AGENCY SUMMARY**  
**DEPARTMENT OF LIQUOR LICENSES AND CONTROL**

Leesa Berens Morrison, Director LLA  
 Contact: Cheryl Bowen, Admin. Services Mgr. (602) 542-9020  
 A.R.S. § 4-111 et seq.

LLA.1 **PROGRAM SUMMARY**  
**ADMINISTRATION**

Contact: Cheryl Bowen, Administrative Services Manager  
 Phone: (602) 542-9020  
 A.R.S. Title 4

**Agency Mission:**

To protect the health, safety, and welfare of Arizona citizens by licensing the liquor industry and assuring compliance with state liquor laws through enforcement, training, and adjudication.

**Agency Description:**

The Department of Liquor Licenses and Control (DLLC) regulates all businesses dealing with spirituous liquor. The DLLC also processes complaints, police reports, and civil violations regarding licensees. The DLLC 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. The DLLC meets on a regular basis with the Arizona Liquor Beverage Association, Arizona Beer & Wine Association, Arizona Grocers Association, Arizona Hotel & Motel Association, and Arizona Restaurant Association and attends their chapter meetings and functions statewide. Finally, the DLLC is responsive to all Arizona citizens who are served and affected by the licensees.

**Agency Summary:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	988.3	987.5	987.5
➤ INVESTIGATIONS	1,458.2	1,880.5	1,880.5
➤ LICENSING	449.5	387.2	387.2
Agency Total	2,896.0	3,255.2	3,255.2

**Funding and FTE Summary:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,197.5	2,442.7	2,442.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	698.5	812.5	812.5
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	2,896.0	3,255.2	3,255.2
FTE Positions	34.2	38.2	38.2

**Strategic Issues**

**Strategic Issue Number: 1**

*The Strategic issue is to work toward changing the program language of the Department's licensing and control system.*

The computer program that was specifically designed for this agency will be approximately 10 years old in 2004. It was written in a language (SmallTalk) that was recommended by the Arizona Department of Administration (ADOA) at the time. SmallTalk was thought to be one of the programming languages of the future. That did not occur. As a result, this Department plans to begin the undertaking of a conversion process next calendar year. This process will include the research and Project Investment Justification using ADOA Information Technology staff and the Government Information Technology Agency.

**Program 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.*

**Program 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 for staffing 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. The Compliance Section receives actionable reports of violations and attempts to resolve them informally.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	988.3	987.5	987.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	988.3	987.5	987.5
FTE Positions	13.2	13.2	13.2

**Program Goals and Performance Measures:**

- ◆ Goal 2 - To set hearings before the State Liquor Board in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of hearings set within the statutory time frame.	100	100	100	100

- ◆ Goal 3 - To maintain accurate document history on license files.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of errors found in imaged documents.	6	1	3	3

- ◆ Goal 4 - To process all compliance cases expeditiously.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of cases processed in less than 90 days.	N/A	100	95	95



LLA.2	PROGRAM SUMMARY <b>INVESTIGATIONS</b>
Contact: Leesa Berens Morrison, Director	
Phone: (602) 542-9020	
A.R.S. § 4-112, 4-113, 4-213	

**Program Mission:**

To foster a working relationship with both licensees and the law enforcement community to obtain maximum compliance with state statutes and rules.

**Program Description:**

Investigations 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 the 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 data bank which is accessible to police agencies; and meets with the United States Attorney's Office, Secret Service, Indian Gaming, the FBI, and the state Attorney General's Office.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	759.7	1,068.0	1,068.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	698.5	812.5	812.5
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,458.2</b>	<b>1,880.5</b>	<b>1,880.5</b>
FTE Positions	12.0	16.0	16.0

**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of investigations and random liquor inspections completed.	2,984	2,517	3,000	3,000

- ◆ Goal 2 - To process investigative complaints quickly and efficiently.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of days to complete an investigative complaint.	42	30	35	35

- ◆ Goal 3 - To perform restaurant audits expeditiously.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of days to complete an audit.	48	32	45	45

LLA.3	PROGRAM SUMMARY <b>LICENSING</b>
Contact: Connie Wagner, Licensing Division	
Phone: (602) 542-9055	
A.R.S. Title 4	

**Program Mission:**

To serve applicants, licensees and the public by processing and maintaining all documents associated with the licensing process.

**Program Description:**

Assist applicants and licensees in the preparation and submission of required documentation for the purpose of obtaining a liquor license; create a data base capable of responding to public, corporate and law enforcement inquiries and route filed documents to appropriate entities; maintain licensing records as required by law; analyze and correlate corporate and individual materials to determine corporate structure, limited liability companies, partnerships, sole proprietorships, and the controlling individual of each; forward the appropriate paperwork to the local governing boards (cities, towns, counties) on each new application which is proposing to be licensed.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	449.5	387.2	387.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>449.5</b>	<b>387.2</b>	<b>387.2</b>
FTE Positions	9.0	9.0	9.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To efficiently process documents received by licensing and to ensure quality customer service..

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of new licenses, transferred licenses, and renewals issued.	10,753	10,778	10,800	10,800
● Percent of customers who responded to the survey reporting very good or excellent service.	86.0	86.0	87.0	87.0



**AGENCY SUMMARY  
STATE MINE INSPECTOR**

Douglas K. Martin, State Mine Inspector MIA  
 Contact: Douglas K. Martin, State Mine Inspector (602) 542-5971  
 A.R.S. § 27-121 et seq.

**Agency 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.

**Agency Description:**

The State Mine Inspector is a state-wide elected constitutional officer and the director of the Office of the State Mine Inspector. The Office of the State Mine Inspector was established by the Constitution of the State of Arizona, Article XIX. This agency enforces statutes, rules, and regulations applicable to mine safety, health, explosives and land reclamation under A.R.S. Title 27 Minerals, Oil and Gas and Arizona Administrative Code Title 11 - Mining. The Agency 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. The Agency administers \$165 million in reclamation assurance bonds and enforces the Mined Land Reclamation laws, rules, and regulations for the restoration of disturbed lands to a safe and stable environmental condition. The Agency 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.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ MINING SAFETY ENFORCEMENT	863.3	922.1	922.1
➤ ABANDONED MINES	103.1	97.2	92.4
➤ EDUCATION & TRAINING - FEDERAL GRANT	473.8	302.0	302.0
➤ MINED LAND RECLAMATION	70.9	70.9	70.9
Agency Total	1,511.1	1,392.2	1,387.4

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,027.3	1,085.4	1,085.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	10.0	4.8	0.0
Federal Funds	473.8	302.0	302.0
Agency Operating Funds Total	1,511.1	1,392.2	1,387.4
FTE Positions	24.0	23.0	23.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Explosive Safety Enforcement*

Since the events and tragedies of September 11, 2001, public safety agencies are held accountable to know all threats against the citizens of this country. The increased potential for terrorist activity, particularly along the Border States has intensified the need to evaluate sources of possible terrorization and maintain information on those threats. Today, the control of explosives lies with the consumers and the industry utilizing the products and equipment. No central point of information exists. High safety responsiveness is needed for this country's continued existence, and a system in which we do not know who, where, or how much explosive power is available is no longer an option. The safety of our citizens and the preservation of the nation reside with our Public Safety Agencies who must know all sources of threats and the resources of those who engage in terrorism. The 1989-1990 legislature cut this and other Mine Inspector safety programs although the statutory mandate was never removed. For these reasons it is now necessary to re-initiate a program to regulate and control explosives and blasting agents. This critical Issue can be met by establishing a central database containing invoices, shipments, disbursements, and receipts. All state public safety agencies would have immediate access to a central system. Additionally use by public safety agencies nationwide would be viable, and coordinated with a national system. One additional inspector and one administrative assistant with support equipment will allow the required resources and time to inspect and monitor all explosive and blasting activities.

**Strategic Issue Number: 2**

*Agency operating appropriation for FY 2003 was cut by \$77,200 from originally approved appropriation. To survive this reduction, in-state travel of field personnel in inspections, abandoned mines and reclamation programs must be restricted.*

The mine safety enforcement program will achieve 89%+ completion of mandated inspections in calendar year 2002. This will be the highest completion percentage since 1997. This forecast is based on mid-year 2002 actual results and a projection to year end. The lump sum appropriation cut of \$37,200 (based on the reduced FY 2002 appropriation) to Agency budget this fiscal year (FY 2003) will negatively impact the mandated inspection results for calendar year 2003 and future years if the funding shortfall is not restored. Using the FY 2003 appropriation as a baseline, completion of mandated inspections is forecast to decline to 75% in calendar years 2003, 2004, and 2005. Prevention of mine accidents relates directly to completion of mandated inspections. Completion of mandated inspections also reduces the state's financial liability in mine accident litigation cases. Currently, the Agency has seven pending claims totaling \$24.7 million, related to two mine accidents.

**Strategic Issue Number: 3**

*Insufficient information technology support to maintain availability, integrity, security and upgrades as needed to the Agency network servers, workstations and legal evidence records. IT outside services funding of \$18,000 eliminated in FY 2003.*

The agency has insufficient funding and manpower to maintain its existing information technology systems. Outsourcing of IT support was barely maintaining survival of existing systems. This outsourcing funding has now been eliminated in FY 2003 appropriation. Critical trial evidence and mine inspection records needed for litigation claims have been lost from electronic records. In January, 2002, the network access to update inspection records and e-mail communications with field deputies were off-line for two weeks due to obsolete hardware, software, and no available IT support. This was a warning about our attempts to "status quo" our systems with no resources for upgrades or maintenance. A complete IT systems failure is overdue and we are running on "borrowed time". A contingency plan to return to manual "carbon copy" inspection reports has been prepared. The agency has no full time IT System personnel, no written security standards, no security risk assessments, and no resources to address these issues. The Government Information Technology Agency's (GITA) Annual Agency IT Plan update assumes continuance of no full-time IT support since funding is not available in base line budget proposals. GITA inventory and plan reporting requirements are being prepared on a part-time basis by the Assistant State Mine Inspector and the Mine Reclamation Program Specialist. The legislature acknowledged these critical needs by amending and supplementing the Fiscal Year 2002 -

2003 Budget with \$23,000 for database upgrading and \$18,000 for outside IT support services. This supplemental funding was eliminated by last year's special and regular legislative sessions to deal with the state's forecasted revenue shortfall.

**Strategic Issue Number: 4**

*Noncompetitive salaries for Agency staff positions, in particular Deputy Mine Inspectors. Average salary for experienced deputy mine inspectors is \$37,450 after the pay adjustment effective June 8, 2002.*

Salaries of the inspectors, engineers, instructors, and other professional level positions are not competitive with salaries of corresponding staff positions in other state and federal agencies as well as private industry. Additional funding for personal services is needed to adjust salaries closer to market rates. Noncompetitive salaries for deputy mine inspectors create difficulty in recruiting and keeping qualified experienced safety professionals. Deputy Mine Inspector II position requires minimum of four years underground mining experience and three additional years experience in surface mining or mineral processing. Average annual salary for Deputy II in FY 2003 is only \$37,450. Entry level OSHA inspectors start at \$40,000 per year. The Arizona Department of Administration's Joint Governmental Salary and Benefits Survey of 2001 indicates a weighted average annual salary of \$44,256 for a publicly employed safety officer. U.S. Department of Labor, Bureau of Labor Statistics for Year 2000-01 list the average annual salary in 1999 for federal mine safety and health inspectors as \$58,000.

**Strategic Issue Number: 5**

*Loss of federal funding for identification of dangerous abandoned mines has reduced the number of abandoned mine field surveyor positions from seven to one.*

The loss of federal funds for the Abandoned Mine Program has dramatically slowed field survey identification, public risk assessment, and mine landowner notification efforts for dangerous abandoned mines. The Abandoned Mine Program priorities have shifted to inventory and securing mine openings on state owned lands only. Mine landowner notifications are sent out based on "discovery" through public complaint investigations. The agency under ARS § 27-129 and 27-318 has "standard of care" liability exposure to identify and "notify to secure" dangerous abandoned mine openings on private and public lands.

**Strategic Issue Number: 6**

*Failure of the Legislature to authorize the 20% matching funds for the Education and Training grant threatens federal funding support.*

The Legislature has not authorized the 20% matching funds for the existing federal grant and this could jeopardize future funding of the grant. The Education and Training Program has a proven positive impact in the prevention of accidents at Arizona's mines and is entirely dependent on federal funding. Traditionally the State provides a 20% "in kind" match to comply with the terms of agreement of the grant. The "in kind" match has been challenged by federal auditors in the past and poses a potential threat to future funding.

**Strategic Issue Number: 7**

*Increased financial risk exposure for the State of Arizona arising from mine accident liability claims and failure to perform mandated health and safety inspections at all mines. One additional FTE for deputy mine inspector is imperative.*

The agency does not have sufficient number of deputy mine inspectors to complete the mandated number of annual inspections at active mines (ARS § 27-124). Failure to achieve annual mandated inspection requirements exposes the State of Arizona to major financial risk. This litigation financial risk, which was speculative in previous strategic plan, is now reality. Four direct settlements and one jury trial in five mine accident cases since 1998 have cost the State of Arizona \$1.89 million. Currently, there are seven active mine accident claims filed against the agency, totaling \$24.7 million. Plaintiff attorneys allege the agency "failed to inspect" and therefore did not identify and direct the mine operator to correct hazardous conditions the agency "knew or should have known" existed before the mine accident.

MIA.1 PROGRAM SUMMARY  
**MINING SAFETY ENFORCEMENT**

Contact: David Hamm, Chief Deputy Mine Inspector  
Phone: (602) 542-5971  
A.R.S. § 27-124

**Program 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.*

**Program 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 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, mills, SX-EW Plants, smelters, refineries, and rod plants. Jurisdiction also covers contractor employees working at mine sites. Deputy Mine Inspectors also perform complaint investigations and land owner compliance inspections at abandoned mines to support the Abandoned Mines Program.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	863.3	922.1	922.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>863.3</b>	<b>922.1</b>	<b>922.1</b>
<b>FTE Positions</b>	<b>14.0</b>	<b>13.0</b>	<b>13.0</b>

**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent mandated inspections completed.	79	80	75	75
● Number of reportable (lost time) mine accidents.	72	84	75	80
● Employee and Public Complaints Investigated.	55	49	55	55
● Number of safety inspections completed.	553	619	530	530
● Customer satisfaction rating for Mines (Scale 1-8).	N/A	6.7	6.7	8.0
● Natl Average Mine Accident NFDL Incident Rate.	2.77	N/A	N/A	N/A
● Arizona's Mine Accident NFDL Incident Rate.	2.04	2.05	N/A	N/A

**MIA.2 PROGRAM SUMMARY  
ABANDONED MINES**

Contact: Alene McCracken, AM Program Supervisor  
Phone: (602) 542-5971  
A.R.S. § 27-318

**Program Mission:**

*To promote public safety by field identification, hazard assessment, mine owner compliance notification, and administration of the securing of dangerous abandoned mines in the State of Arizona.*

**Program 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 provide for the prioritization of significant public and environmental hazards for remediation and reclamation planning. The inventory also allows the agency 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 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 designed as necessary for abandoned mine closures on state lands. The cost of field construction work to secure these mines is provided 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 identifying and securing 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, Western Governors' Association, and the National Association of Abandoned Mined Land Programs, which is comprised of 27 states and three Indian Tribes.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	93.1	92.4	92.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	10.0	4.8	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>103.1</b>	<b>97.2</b>	<b>92.4</b>
FTE Positions	2.0	2.0	2.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To promote public safety by identification, hazard assessment, prioritization, posting, and securing of dangerous abandoned mine openings.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Mine Sites Inventoried.	105	51	56	56
● Number of abandoned mine openings secured.	73	3	0	0

- ◆ Goal 2 - To investigate abandoned mine complaints and notify mine owners to secure dangerous abandoned mine openings.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Abandoned Mine Complaint Investigations.	15	10	20	20

**MIA.3 PROGRAM SUMMARY  
EDUCATION & TRAINING - FEDERAL GRANT**

Contact: Douglas K. Martin, E & T Program Manager  
Phone: (602) 542-5971  
A.R.S. § 27-124, Title 30 CFR

**Program Mission:**

*To educate and train inexperienced and experienced mine employees in safe work practices and compliance requirements of state and federal mine safety regulations.*

**Program Description:**

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, ARS 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 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	473.8	302.0	302.0
<b>Program Total</b>	<b>473.8</b>	<b>302.0</b>	<b>302.0</b>
FTE Positions	6.0	6.0	6.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To eliminate fatal accidents and reduce the number and severity of lost time accidents at Arizona mines through safety education and training of mine employees and contractors.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate	◆ ◆ ◆ ◆ ◆ ◆
● Number of miners & contractors trained.	5,832	6,400	6,000	6,000	

MIA.4                      PROGRAM SUMMARY  
**MINED LAND RECLAMATION**

Contact: Douglas K. Martin, State Mine Inspector  
 Phone: (602) 542-5971  
 A.R.S. § 27-921

**Program 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.*

**Program 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 and exploration operations with surface disturbances greater than five acres. Annual reviews and on-site inspections of the regulated mines are a part of the continual monitoring process to establish compliance to the Mined Land Reclamation laws.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	70.9	70.9	70.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	70.9	70.9	70.9
FTE Positions	2.0	2.0	2.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To enforce continuing compliance of regulated mining companies by conducting annual on-site inspections and reviewing annual status reports. Annual status reports and corporate financial data for all current and future mining operations are reviewed in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of annual compliance reviews.	22	22	18	19

- ◆ Goal 2 - To confirm all existing, proposed, and future mining units and exploration operations have approved reclamation plans and financial assurance mechanisms on file with this agency and are in compliance with the Mined Land Reclamation Act (A.R.S. § 27-901 et seq).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Existing Properties Regulated by the Mined Land Reclamation Act.	21	21	22	24
● Possible Future Startup Mine Projects.	0	2	2	2

**AGENCY SUMMARY**  
**NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS**

Dr. Craig Runbeck, Executive Director NBA  
 Contact: Dr. Craig Runbeck, Executive Director (602) 542-8242  
 A.R.S. § 32-1501 and 32-4201

**Agency Mission:**

To protect the health, safety, and welfare of the public by regulating the practice of naturopathic medicine and massage therapy.

**Agency Description:**

The Agency serves two regulatory boards, naturopathic physicians and massage therapists.

The Naturopathic Physicians Board of Medical Examiners 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 into allegations of medical incompetency and unprofessional conduct.

The Board of Massage Therapy regulates licensed massage therapists by approving training requirements, recognizing a national examination, establishing rules and conducting investigations and hearings into allegations of incompetency and unprofessional conduct.

<b>Agency Summary:</b>	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS	212.8	216.7	217.4
➤ BOARD OF MASSAGE THERAPY	0.0	75.0	272.8
Agency Total	212.8	291.7	490.2

<b>Funding and FTE Summary:</b>	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	212.8	291.7	490.2
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	212.8	291.7	490.2
FTE Positions	3.0	7.0	7.0

**Strategic Issues**

**Strategic Issue Number: 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 board in protecting the public from unsafe practitioners.*

The agency has a website that allows the public to contact us with complaints about individuals regulated by the board. We also participate

in "docfinder.com" which is a common data base used by several state medical boards which allows the public to locate a doctor licensed in Arizona and review that doctor's complaint record. Any complaint, from any source, that is received by this agency, in regards to a doctor licensed by this board, is fully investigated and brought to the board's attention at a public meeting. If we receive a complaint against a doctor not licensed by this board it is referred to the appropriate agency. We will develop a similar system to address the regulation of the massage profession.

**Strategic Issue Number: 2**

*The agency has an obligation to educate licensed naturopathic physicians in regards to the requirements of the Naturopathic Medical Practice Act.*

Board staff publish a biannual newsletter that addresses the requirements of law and lists the individuals who have been disciplined by the board and why. We constantly update the website and refer people to it as a matter of policy. The website has copies of the law, current rules, directories of doctors and medical assistants, notices to the public, links to related sites, etc. We require all doctors, medical assistants, and medical students regulated by this board to pass a jurisprudence examination dealing with the requirements of the Naturopathic Medical Practice Act and other related requirements of law. The board also has been very involved with a cooperative effort between the naturopathic, allopathic, osteopathic, and pharmacy professions to provide continuing medical education in pharmacotherapeutics to the naturopathic profession. The board has been specifically charged by the legislature in testing naturopathic physicians in this area. All naturopathic physicians who wish to prescribe pharmaceutical medications must take the classes and pass a four part test by January 2005.

**Strategic Issue Number: 3**

*Naturopathic board staff will also serve the new massage board.*

Staff is preparing to address the needs of the estimated 5,000 to 6,000 persons who will seek licensure in massage therapy by July 2004. The new massage board has been appointed and has begun meeting as of September 2003. We anticipate 4 new FTE's and a reclassification of an FTE to meet this need. We will be making a special spending request from the legislature in January 2004 in order to expend the fees collected with the new license applications.

**Strategic Issue Number: 4**

*The new massage board will need to educate the public, the massage profession, and other government agencies about the new law.*

There is a website dedicated to massage therapy. Board staff will continue to speak at various public events about the new board and law. We are developing a newsletter and will also issue news releases. Rules are being developed.

**Strategic Issue Number: 5**

*The agency is converting to a paperless system of record keeping, complaint processing, and licensing.*

The Board is establishing an online licensing and complaint system for massage therapy. Licensing and complaint files for both boards will be kept electronically. Board meetings will be converted to an electronic format. A minimum paper file will be kept as a back up for essential documentation. The Board is moving towards an online renewal process for naturopathic physicians.

NBA.1 PROGRAM SUMMARY  
**NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS**

Contact: Dr. Craig Runbeck, Executive Director  
 Phone: (602) 542-8242  
 A.R.S. § 32-1501

**Program Mission:**

*To protect the health, safety, and welfare of the public by regulating the practice of naturopathic medicine.*

**Program 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 incompetency and unprofessional conduct.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	212.8	216.7	217.4
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>212.8</b>	<b>216.7</b>	<b>217.4</b>
FTE Positions	3.0	3.0	3.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To efficiently process license and certificate applications.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total Applications Received for Licensure and Certificates.	676	743	775	825
● Total Licenses and Certificates issued.	676	741	775	825
● Average number of days to process licensing applications.	42	15.5	45	45
● Active Physician Licenses.	298	352	400	450
● Dispensing Certificates and Renewals Issued.	180	239	220	240
● Students engaged in Clinical Training.	145	117	125	125

- ◆ Goal 2 - To timely investigate and adjudicate complaints in order to protect the public from incompetent and unprofessional practitioners and report the unlawful practice of naturopathic medicine to county attorneys and the Office of the Attorney General.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints received against licensed or certified persons.	29	30	32	34
● Complaints resolved in same FY.	28	23	30	32
● Average number of days to resolve complaints - same FY.	74.36	57	70	70
● Complaints received against unlicensed individuals.	4	5	8	10

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints against the unlicensed practice of naturopathic medicine forwarded to county attorneys and AG.	4	3	8	10
◆ Goal 3 - To audit and inspect dispensing facilities of naturopathic physicians; their compliance with the annual continuing medical education requirement; and inspect naturopathic medical schools and training programs.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent physicians in compliance with dispensing requirements.	100	97.5	95	95
● Percent of physicians in compliance with continuing medical education requirement.	97.5	97.5	95	95
● Southwest College Clinical Training Program in Compliance.	Yes	Yes	Yes	Yes

NBA.2 PROGRAM SUMMARY  
**BOARD OF MASSAGE THERAPY**

Contact: Dr. Craig Runbeck, Executive Director  
Phone: (602) 542-8604  
A.R.S. § 32-4201

**Program Mission:**

*To protect the public health, safety, and welfare by the regulation of massage therapy.*

**Program 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	75.0	272.8
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>0.0</b>	<b>75.0</b>	<b>272.8</b>
FTE Positions	0.0	4.0	4.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To efficiently process license applications.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● applications received for licensure.	0.0	0.0	6,000	6,500
● average number of days to process an application.	0.0	0.0	60	45

- ◆ Goal 2 - To timely investigate and adjudicate complaints in order to protect the public from incompetent and unprofessional massage therapists and report the unlawful practice of massage therapy to local law enforcement.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints received against massage therapists.	0.0	0.0	60	60
● Complaints resolved in the same FY.	0.0	0.0	55	55
● Average number of days to resolve a complaint.	0.0	0.0	90	90

- ◆ Goal 3 - To periodically audit massage therapists for compliance with the requirements of law and rules.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● number of massage therapists audited for compliance.	0.0	0.0	600	600
● percent of LMT's in compliance.	0.0	0.0	90	95





**AGENCY SUMMARY  
BOARD OF NURSING**

Jo Elizabeth Ridenour, Executive Director  
Contact: Diane Serra, Business Manager  
A.R.S. § 32-1601 to 32-1668

BNA  
(602) 331-8111

**Agency Mission:**

To protect the public health, safety, and welfare through the safe and competent practice of nurses and nursing assistants.

**Agency 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)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ LICENSING AND REGULATION - RN/LPN	2,902.2	3,105.6	2,578.7
➤ NURSING ASSISTANT	685.2	847.2	689.4
Agency Total	3,587.4	3,952.8	3,268.1

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	130.7	134.9	134.9
Other Appropriated Funds	2,902.2	3,105.6	2,578.7
Other Non-Appropriated Fund	189.8	297.6	189.8
Federal Funds	364.7	414.7	364.7
Agency Operating Funds Total	3,587.4	3,952.8	3,268.1
FTE Positions	55.7	62.0	55.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Backlog of cases/ high turnover of investigators.*

Temporary staff were received in FY 2002 to address the backlog of investigative cases. The entire backlog of cases was not eliminated by the end of FY 2003, however, as high turnover of temporary and permanent investigative staff has resulted in slower than expected progress in eliminating the backlog. Since temporary staff were approved, the Board has reduced the number of open cases from 1,875 to 1,368 as of October 2002. The continued funding of \$336,900 and 7 FTE Positions in FY 2004 is expected to eliminate the backlog by the end of FY 2004.

**Program 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.

**Program 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 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,902.2	3,105.6	2,578.7
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	2,902.2	3,105.6	2,578.7
FTE Positions	39.9	45.2	38.2

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To reduce the cycle time needed to issue certificates and licenses for examinee, endorsement and renewal applicants.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Customers reporting very good or excellent service (%).	90	81	95	95
• Average days from application received to RN/LPN renewal license issued.	14	13	7	7
• RN/LPN renewals issued (4-year cycle).	22,000	11,537	12,000	12,000
• Total licensees RN/LPN.	58,479	63,537	62,000	62,000

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Total complaints received.	1,503	695	700	700

BNA.1 PROGRAM SUMMARY  
**LICENSING AND REGULATION - RN/LPN**

Contact: Jo Elizabeth Ridenour, Executive Director  
Phone: (602) 331-8111  
A.R.S. § 32-1601 to 32-1668

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of licensees with disciplinary action.	.4	.6	.5	.5
● Average hours per investigation needed to complete a case.	18.8	18	17	16
● Average months needed to complete investigations and present cases to the Board.	8	10	8	6
● Average calendar days from receipt of complaint to resolution.	405	300	210	180
● Average calendar days per investigation from start to final adjudication.	405	300	210	180
● Percent of investigations resulting in disciplinary enforcement action.	29	52	60	70

◆ Goal 3 - To effectively provide a non-disciplinary Chemically Addicted Nurse Diversion Option (CANDO) program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Licensees in CANDO program.	161	180	170	170
● Licensees completing CANDO program (%).	78	77	80	80

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Nursing programs monitored for non-compliance.	5	5	4	5
● Examinees from program successfully passing NCLEX.	1,069	1,200	1,400	1,500

General Funds	130.7	134.9	134.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	189.8	297.6	189.8
Federal Funds	364.7	414.7	364.7
<b>Program Total</b>	<b>685.2</b>	<b>847.2</b>	<b>689.4</b>
FTE Positions	15.8	16.8	16.8

**Program Goals and Performance Measures:**

◆ Goal 1 - To operate the program efficiently and effectively.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of applicants or certificate holders reporting very good or excellent service.	90	81	95	95
● Average calendar days from receipt of completed application to denial of certification.	478	477	210	180
● Total individuals certified.	18,297	21,313	20,000	20,000
● Total complaints received.	786	741	750	750
● Average calendar days from receipt of complaint to resolution.	454	334	210	180
● Percent of CNA's with disciplinary action.	3	2	2	2
● Total investigations conducted - status closed.	1,171	985	1,000	1,000
● Percent of investigations resulting in disciplinary enforcement action.	42	49	60	60
● Average calendar days per investigation from start to final adjudication.	613	228	210	180



BNA.2                      **PROGRAM SUMMARY**  
**NURSING ASSISTANT**

Contact: Jo Elizabeth Ridenour, Executive Director  
 Phone: (602) 331-8111  
 A.R.S. § 32-1645

**Program Mission:**

*To protect the public health, safety, and welfare through the provision of competent Certified Nursing Assistant care.*

**Program 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 (CNA's). The Arizona Department of Health Services shares some responsibility for this program by receiving and substantiating complaints against CNA's.

**Funding and FTE Amounts:**

(\$ Thousands)		
FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

<p><b>AGENCY SUMMARY</b></p> <p><b>BOARD OF EXAMINERS OF NURSING CARE</b></p> <p><b>INSTITUTION ADMINISTRATORS AND ADULT CARE</b></p> <p><b>HOME MANAGERS</b></p>	
<p>Victoria Martin, Executive Director</p> <p>Contact: Victoria Martin, Executive Director</p> <p>A.R.S. § 36-446.02</p>	<p>NCA</p>

**Agency 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.

**Agency 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 fees-financed program of examination, licensure, and regulation.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	335.9	361.7	353.4
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>335.9</b>	<b>361.7</b>	<b>353.4</b>
<b>FTE Positions</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*To improve the quality of services provided by the Board to the public and its licensees.*

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To improve agency operations relating to complaint investigations to ensure consistent and timely enforcement of statutes and rules regulating nursing care institution administrators and assisted living facility managers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints filed against Administrators and Managers.	59	111	140	150
● Average number of days to process/adjudicate complaints.	65	53	72	75

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of complaint and application investigations conducted.	67	184	200	220

- ◆ Goal 2 - To ensure that licenses and certificates are processed in a timely and efficient manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of existing licenses.	N/A	2,361	2,525	2,700
● Number of new applications filed.	586	683	685	690
● Number of new licenses issued.	444	545	550	555
● Number of new and existing licenses.	2,757	2,906	3,100	3,255
● Number of renewal applications processed.	713	1,653	496	2,080
● Average calendar days to renew a license.	N/A	9	60	60

- ◆ Goal 4 - To ensure that agency operations are effective and efficient.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction.	N/A	N/A	Baseline	6
● Administration as percent of total cost.	5	5	5	5



**AGENCY SUMMARY**  
**BOARD OF OCCUPATIONAL THERAPY EXAMINERS**

Ms. Cedes Bruno Morgan, Executive Director OTA  
 Contact:  
 A.R.S. § 32-3401 to 3445

**OTA.1 PROGRAM SUMMARY**  
**BOARD OF OCCUPATIONAL THERAPY EXAMINERS**

Contact: Ms. Cedes Bruno Morgan, Executive Director  
 Phone: (602) 589-6337  
 A.R.S. § 32-3401 to 3445

**Agency Mission:**

To assure the public's health, safety, and welfare by licensing and regulating individuals who provide occupational therapy services or athletic training.

**Agency Description:**

The Board of Occupational Therapy Examiners is a regulatory board which issues and renews bi-annually approximately 1,500 licenses for the occupational therapy profession and 300 licenses for the athletic training profession. 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 and athletic trainers.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ BOARD OF OCCUPATIONAL THERAPY EXAMINERS	110.5	131.5	129.0
➤ BOARD OF ATHLETIC TRAINING	47.9	82.2	79.9
Agency Total	158.4	213.7	208.9

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	158.4	213.7	208.9
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	158.4	213.7	208.9
FTE Positions	2.5	3.0	3.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Meeting Future Goals*

The Agency continues to provide timely service in the licensing and regulation of Occupational Therapy practitioners. Despite the small staff of two FTEs and five Board members, it has been routinely exceeding the 60 day goal in issuing licenses and the 120 day goal in resolving complaints/investigations. Present staff is highly skilled, motivated, and will be difficult to replace; yet salaries are low and non-competitive in today's labor market where employees are scarce. This is a 90/10 agency which depends on license fees for its operating budget including salaries.

**Program Mission:**

*To assure the public's health, safety, and welfare by licensing and regulating individuals who provide occupational therapy services.*

**Program Description:**

The Board of Occupational Therapy Examiners is a regulatory board which issues and renews bi-annually approximately 1,500 licenses for the occupational therapy profession. 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	110.5	131.5	129.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	110.5	131.5	129.0
FTE Positions	1.7	2.0	2.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To investigate violations of the statute and rules and resolve issues within 120 days.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of complaints received.	14	12	14	14
● Complaints that violate statutes or rules.	9	8	9	9
● Percent of disciplinary or enforcement actions.	64	66	64	64
● Percent of complaints resolved within 120 days.	86	75	86	86

- ◆ Goal 2 - To assure license renewal applicants complete required continuing education within their licensure period.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Licenses received for renewal.	1,040	360	1,189	520
● Application received in full compliance and approved within sixty days.	1,040	360	1,189	520
● Percent of applications in full compliance.	100	100	100	100
● Number of continuing education inspection conducted.	1,040	360	1,189	520

◆ Goal 3 - To ensure qualified applicants are issued an initial license in 60 days.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Applications received.	1,200	520	1,573	690
● Percent of licenses issued within 10 days of approval.	100	100	100	100
● Initial licenses issued within 10 calendar days of approval.	160	160	160	170
● Average time in calendar days from receipt of the completed application to issuance or denial of licensure.	31	31	31	31
● Licenses issued.	1,200	520	1,573	690
● Individuals licensed.	1,682	1,733	1,893	2,063
● Percent of applicants/licensees reporting very good or excellent service.	98	95	96	97

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of licenses issued within 10 days of approval.	100	100	100	100
● Initial licenses issued within 10 calendar days.	286	50	75	100
● Average time in calendar days from receipt of the completed application to issuance or denial of licensure.	31	31	31	31
● Number of licenses issued.	425	500	575	625
● Percentage of applicants/licenses reporting very good or excellent service.	96	96	97	98

◆ Goal 2 - To assure license renewal applicants are issued a renewal license in 30 days.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Licenses received for renewal.	139	405	500	525
● Applications approved within 30 days.	139	405	500	525

◆ Goal 3 - To investigate violations of the statutes and rules and resolve issues within 120 days.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of complaints received.	8	3	5	7
● Complaints that violate statutes or rules.	5	2	3	5
● Percent of disciplinary or enforcement actions.	63	67	60	71
● Percent of complaints resolved within 120 days.	100	100	100	100



OTA.2 PROGRAM SUMMARY  
**BOARD OF ATHLETIC TRAINING**

Contact: Ms. Cedes Bruno Morgan, Executive Director  
 Phone: (602) 589-6337  
 A.R.S. § 32-4101

**Program Mission:**

*To assure the public's health, safety and welfare by licensing and regulating individuals who provide athletic training services.*

**Program Description:**

The Board of Athletic Training is a regulatory board, which issues and annually renews approximately 300 licenses for the athletic training profession. 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	47.9	82.2	79.9
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>47.9</b>	<b>82.2</b>	<b>79.9</b>
FTE Positions	0.8	1.0	1.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To assure qualified applicants are issued an initial license in 60 days.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Applications received.	425	500	575	625

**AGENCY SUMMARY  
BOARD OF OPTOMETRY**

Jack Confer, Executive Director OBA  
 Contact: Jack Confer, Executive Director (602) 542-8155  
 A.R.S. § 32-1701

**Agency Mission:**

To protect the health, safety, and welfare of Arizona citizens by regulating and achieving the highest standards in the optometry profession.

**Agency Description:**

The Arizona State Board of Optometry examines, licenses, and regulates the profession of Optometric Doctors (ODs). 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. Currently there are approximately 815 professionals licensed to practice in the State.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	143.8	163.4	179.7
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	143.8	163.4	179.7
FTE Positions	2.0	2.0	2.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Promulgation of rules pursuant to Legislative mandates*

The Arizona State Board of Optometry is required to promulgate rules due to the legislative mandates of Laws 2001, Chapter 331 and Laws 2003, Chapter 5.

**Strategic Issue Number: 2**

*Update Jurisprudence Exam utilizing Arizona Government University*

Draft, review, approve and implement new jurisprudence examination in conjunction with Arizona Government University.

**Strategic Issue Number: 3**

*Add functionality for automatic update of public information. Conform web design to uniform format designated by the Government Information Technology Agency.*

The Agency developed and implemented an informational web page in September 2001. While the page contains basic public information, the agency must add the capability to automatically update doctor and consumer public information on a daily basis. The web page generally includes licensing and disciplinary action information, statutes and rules, meeting information and downloadable applications and forms.

**Strategic Issue Number: 4**

*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 nonresident 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.

**Strategic Issue Number: 5**

*Improve and standardize investigation process and integrate consumer mediation program to resolve disputes.*

The Board continues to evaluate investigation guidelines. The proposed system will allow for complaints and investigations to be quickly adjudicated and/or resolved in a consistent fashion and manner. In addition, the program will define uniform investigation standards.

**Strategic Issue Number: 6**

*Hold digital and electronic board meetings.*

Seek appropriation to hold digital board meetings and implement.

**Agency Goals and Performance Measures:**

◆ Goal 1 - To ensure that licenses are granted or renewed to qualified optometrists.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● New licenses issued.	81	97	50	50
● Active licensees.	728	815	830	850
● Average calendar days to renew a license.	11	2	10	5

◆ Goal 2 - To effectively investigate and adjudicate complaints pursuant to statutes and rules.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of complaints received.	53	44	45	45
● Total number of complaints resolved.	34	55	40	40
● Average number of days from receipt of complaint to resolution.	205	228	180	150
● Total number of disciplinary actions.	4	4	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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of Licensing & Investigation database evaluated for accuracy.	75	90	Complete	Complete
● Total number of consumer questions and concerns.	1,100	1,480	1,300	1,500

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration as % of total cost.	5.1	5.3	5	5

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer Satisfaction.	6.8	6.5	7	7

◆ Goal 5 - To register and regulate out-of-state replacement contact lenses dispensers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total # of companies registered.	16	19	50	50

◆ ◆ ◆ ◆ ◆ ◆

<b>AGENCY SUMMARY</b>	
<b>BOARD OF OSTEOPATHIC EXAMINERS</b>	
Elaine LeTarte, Executive Director	OSA
Contact: Elaine LeTarte, Executive Director	(480) 657-7703
A.R.S. § 32-1800 et seq.	

**Agency 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.

**Agency Description:**

The Board of Osteopathic Examiners licenses and regulates osteopathic physicians in the State of Arizona. There are over 1,200 licensed osteopathic doctors in Arizona, an additional 400 licensed in Arizona but residing out of state. The Board is made up of five doctors and two lay people, appointed by the Governor to five-year terms.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	317.8	466.9	434.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>317.8</b>	<b>466.9</b>	<b>434.0</b>
FTE Positions	8.0	5.5	5.5

**Strategic Issues**

**Strategic Issue Number: 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.

**Strategic Issue Number: 2**

*Rule making*

During the FY2004-05 biennium, the Agency expects to amend existing rules so they conform to current practices within the osteopathic profession. Additionally, the Agency expects to propose new rules to address statutory requirements, such as licensing time frames.

**Strategic Issue Number: 3**

*Licensure/Registration/Renewal Process*

The Agency continues to track pending applications. The Agency will explore use of trusted secondary, rather than primary source verifications of credentials. The Agency continues efforts to convert paper-based procedures to web-based transactions.

**Agency Goals and Performance Measures:**

◆ Goal 1 - To issue and renew licenses promptly and effective manner

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of licenses (new and existing).	1,654	1,763	1,825	1,850

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average days to issue renewals.	42	3	15	15
● Average days to issue new license.	81	91	65	65

◆ Goal 2 - To investigate and resolve complaints in a timely manner

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints received.	129	125	125	125
● Complaints investigated.	160	310	325	270
● Average calendar days to resolve a complaint.	707	520	445	365





**AGENCY SUMMARY  
BOARD OF PHARMACY**

Hal Wand, Executive Director PMA  
 Contact: Johnnie Teutschman, Office Manager (623) 463-2727  
 A.R.S. § 32-1902

**Agency Mission:**

To protect the public health, safety, and welfare relevant to the dispensing, sale, storage, manufacturing, repackaging, and distribution of controlled substances, prescription and non-prescription medications, poisons, and related hazardous substances.

**Agency Description:**

The Board is responsible for establishing and enforcing quality standards necessary for the licensure of pharmacists and the issuing of permits to drug manufacturers, wholesalers, repackagers, pharmacies, and non-pharmacy retail outlets. The Board enforces and observes voluntary compliance with the established standards, both state and federal, through education of its licensees and the public on the proper distribution and use of approved medications.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,153.6	1,347.7	1,315.7
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	17.7	17.7	17.7
<b>Agency Operating Funds Total</b>	<b>1,171.3</b>	<b>1,365.4</b>	<b>1,333.4</b>
FTE Positions	17.0	17.0	17.0

**Strategic Issues**

**Strategic Issue Number: 1**

*To implement a statewide Consumer Medication Education Program designed to inform consumers of the benefits and pitfalls of prescription and nonprescription drug use.*

In 1995, a U.S. Dept of Health and Human Services study found that up to 66% of patients do not comply with the directions when taking prescription medications. Another study estimated that up to 35% of those using medications incorrectly are risking serious danger to their health. Newer studies show that consumers are still abusing prescription medication. The percentages have unfortunately gone up each year. The target audience of this educational program is consumers in general. The initial emphasis will be to reach senior residents through live or video presentations at various group gatherings. Other potential audiences include civic groups, service clubs, fraternal organizations, church groups and school groups, including PTA's.

**Strategic Issue Number: 2**

*Ensure that licenses are granted only to competent applicants with high standards of professional and ethical conduct.*

Keep abreast of changes in the practice of pharmacy to ensure that potential or practicing pharmacists are exposed to training and education on a continuing basis that will provide the public with competent and ethical professionals.

**Strategic Issue Number: 3**

*Expedite licensing of qualified applicants.*

To see that applications for licensure are processed efficiently and expeditiously as possible, ensuring that all requirements have been met. Examinations are given electronically which has improved a portion of the

licensure proceedings. Further electronic endeavors to complete registration at the state level should improve the expeditious processing of qualified individuals.

**Strategic Issue Number: 4**

*Consumer complaints.*

To rapidly investigate complaints and provide enforcement to protect the public from incompetent pharmacy services and unprofessional/unethical conduct.

**Strategic Issue Number: 5**

*Adequate compensation for our compliance staff.*

State Board of Pharmacy employment compensation is notably sub-par particularly relating to the licensed pharmacist positions, when compared to either the Department of Corrections, Maricopa County or federal government positions. In comparison to private industry our salary levels are considerable below average (approximately 30%).

**Strategic Issue Number: 6**

*Establish uniform grounds and orders for disciplinary actions.*

Adapting uniform disciplinary orders based on the level of non-compliance, will establish a level playing field for practitioners and assure the public that violations are adjudicated according to their level of severity without regard to the individual involved.

**Strategic Issue Number: 7**

*Maintain and upgrade essential software and hardware systems.*

In an effort to avoid the stagnating effects of computer obsolescence, the Board plans on a continued aggressive policy of finding and using new and innovative methods to improve our performance in maintaining records for a variety of uses. Credential renewals, verifications, inspection data are a few of the areas where electronic information processing is very much in use.

**Strategic Issue Number: 8**

*Record keeping*

Electronic storage of all our licensee and permits files. This will allow for the reduction of required space to house file cabinets currently storing the hard copy documents of these files and avoid loss of documents due to age or exposure to the elements.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To ensure that licenses are granted only to competent applicants with high standard of professional and ethical conduct.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Disciplinary actions/100 Registered Pharmacists (RPH).	1	1	1	1
● Complaints per 100 practitioners.	0.1	.1	.1	0.1
● Continuing education seminars conducted for pharmacists.	15	30	30	30
● Total number of inspections conducted.	2,352	3,121	3,470	3,347

- ◆ Goal 2 - To expedite licensing of qualified applicants.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average days from receipt to issuance of license.	5	5	5	5

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average cost to client of application processed (dollars).	200	200	200	200
● Total number licenses/renewals issued.	9,626	10,166	10,200	10,200
● Total number individuals or facilities licensed.	12,347	13,442	13,790	13,790

◆ Goal 3 - To investigate complaints and provide enforcement.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Disciplinary actions.	42	14	25	25
● Average days from receipt of complaint to resolution.	100	100	100	100
● Total number of complaints received.	80	109	120	120
● Total number of investigations conducted.	97	87	100	100
● Number of licenses revoked or suspended.	7	7	1	1



**AGENCY SUMMARY**  
**BOARD OF PHYSICAL THERAPY EXAMINERS**

Heidi Herbst Paakkonen, Executive Director PTA  
Contact:  
A.R.S. § 32-2001

*The Arizona Board of Physical Therapy requires additional legal services above that level currently being offered by the Arizona Attorney General's Office*

As of July 1, 2002, the Board is one of 12 agencies that its assigned Assistant Attorney General represents; previously, it was one of 6 agencies assigned to one Assistant A.G. As a result, the Board's legal representation has been significantly diluted and has compromised the Board's ability to carry out certain licensing, investigative, and enforcement functions. The Board has estimated that \$16,000 annually would be needed to enter into an Interagency Service Agreement with the Attorney General's Office for purposes of contracting for dedicated legal services.

**Agency Mission:**

To process applicants for physical therapist licensure or physical therapist assistant certification, and to uphold the statutory requirements to enforce the Arizona Physical Therapy Practice Act for purposes of protecting the health, safety and well-being of the public from the incompetent, unethical and illegal practice of physical therapy.

**Agency Description:**

The State Board of Physical Therapy licenses qualified physical therapists and certifies qualified physical therapist assistants, investigates and adjudicates complaints, assesses continuing competence, and enforces the standards of practice for the physical therapy profession. The Board serves approximately 3,000 professionals licensed and certified to practice in the State, in addition to all Arizona citizens who receive these professional services.

**Strategic Issue Number: 4**

*The Board has identified the need to allocate resources toward development of a jurisprudence examination that will assess applicants' understanding of Arizona law with respect to the practice of physical therapy.*

Effective September 2003, the Arizona Board of Physical Therapy has statutory authority to administer a jurisprudence examination, but needs to develop an examination that is psychometrically defensible, and that can be offered to applicants for physical therapist licensure and physical therapist assistant certification at a distance. The examination will test applicants' knowledge of the physical therapy laws and statutes under which they will practice or work if granted licensure or certification. The estimated cost of the development of the examination is \$5,000.

**Strategic Issue Number: 5**

*The Arizona Board of Physical Therapy must continue implementing its Continuing Competence (Education) auditing requirements.*

New statutory requirements mandate the agency develop and implement a program assessing the continued competence of physical therapist licensees. While funding was appropriated for the hiring of a consultant to assist in the development and implementation of the program, consideration was not given to future years in terms of funding for on-going and related expenses associated with the audit function itself. Rule revisions in 2004-2005 may require additional resources be obligated to this effort to fulfill the Board's statutory requirements with respect to assessing and auditing the continuing competence of licensees and certificate holders.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	232.1	237.1	258.6
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	232.1	237.1	258.6
FTE Positions	3.0	3.0	3.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Pursuant to A.R.S. § 41-3004.12, the Arizona Board of Physical Therapy is scheduled to terminate on July 1, 2004; Title 32, Chapter 19 is repealed on January 1, 2005.*

The Board of Physical Therapy will request the Arizona State Legislature grant approval for continuation of the agency in accordance with the sunset review process as described at Title 41, Chapter 27 of the Arizona Revised Statutes. During this process, the agency will actively participate in the Legislature's evaluation of the need to grant continuation of the existence of the Board.

**Strategic Issue Number: 2**

*The Arizona Board of Physical Therapy will be revising its statutes and rules concurrently with proposing legislation for continuation of the agency. The statutory changes being considered by the Board are both technical and substantive.*

The Board has done a thorough review of both the agency statutes and administrative rules and have determined that both are in need of significant revisions. The majority of changes to both sections of the law focus on the qualifications for licensure for foreign educated physical therapists, but numerous technical changes are necessary to provide better clarity. Additionally, the rules must address the new statutory requirement for applicants concerning the jurisprudence examination. The rules promulgation process is already underway, and once any statutory changes have been made by the 46th Arizona State Legislature during the second regular session, the revision effort to the rules will continue in order to address the statutory changes.

**Strategic Issue Number: 3**

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To efficiently process the licensure and certification applications of qualified and competent Physical Therapists and Physical Therapist Assistants within the Board's statutory and rule time frame requirements.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of physical therapist licenses or physical therapist assistant certificates issued within the required time frames to applicants who meet the requirements established by law.	100	100	95	95
● Percent of Board meetings conducted within appropriate time frames.	100	100	100	100
● Percent of contacts and requests returned and responded to within time frame.	100	100	100	100
● Number of new licenses or certificates issued.	283	348	325	325
● Average time, in calendar days, between receipt of completed application to issuance or denial of licensure or certification.	18	16	15	15

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of licenses/certificates denied.	N/A	1	3	3
● Number of licenses/certificates renewed.	N/A	2,811	N/A	2,700

◆ Goal 2 - To timely investigate and adjudicate complaints, and to provide enforcement of the law, Board actions and Board orders in an effort to protect the public from incompetent services and unprofessional and unethical conduct.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of investigated complaints to the State Board for consideration within a 90 day time frame.	N/A	75	80	80
● Percent of complaints over which the Board has jurisdiction investigated.	100	100	100	100
● Total number of complaints received.	19	27	30	30
● Percent of complaints and unlawful practice investigations over which the Board has jurisdiction investigated.	100	100	100	100
● Total number of disciplinary actions issued.	2	6	8	8
● Average number of days to adjudicate complaints received in a given fiscal year.	152	139	125	125
● Number of licenses suspended/revoked/voluntarily revoked.	1	0	2	2
● Total number of unlawful practice investigations received by the Board for investigation.	4	11	5	5

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of requests for license verifications processed within 15 days of receipt.	N/A	100	100	100
● Percent of responses to requests for information and regulation processed and delivered within defined time frame.	N/A	100	100	100
● Number of formal verifications of licensure prepared.	N/A	761	800	850
● Number of written requests for public records received.	22	23	25	25
● Average number of days to process written requests for public records.	?	4.5	5	5

◆ Goal 4 - To assess the continuing competence (continuing education) of licensees selected through random audit.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of audits of licensed physical therapists for compliance with continuing competence requirements.	N/A	6.7	N/A	8

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**AGENCY SUMMARY  
BOARD OF PODIATRY EXAMINERS**

Linda A. Wells, Executive Director POA  
 Contact: Linda A. Wells, Executive Director  
 A.R.S. § 32-801

**Agency Mission:**

To protect the health, safety, and welfare of the citizens of Arizona by regulating and maintaining standards of practice in the field of podiatric medicine.

**Agency Description:**

The Board licenses and regulates Doctors of Podiatric medicine. The Board evaluates the professional competency of podiatrists seeking to be licensed in the State of Arizona and promotes continued competency and fitness by investigating complaints. In addition, the Board holds hearings, monitors activities, and enforces the standards of practice for the podiatric profession.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	89.3	104.6	102.4
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	89.3	104.6	102.4
FTE Positions	1.0	1.0	1.0

**Strategic Issues**

**Strategic Issue Number: 1**

*To continually improve computer technology in an effort to enhance service to licensees and consumers. Thereby increasing the licensee base in the future, which would impact revenue receipts.*

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To ensure that licenses are granted and renewed to competent physicians with high standards of professional and ethical conduct.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Applications received.	33	31	38	38
• New licenses issued.	24	14	29	32
• Average number of days from receipt of application to grant of license.	130	120	120	120
• Drug dispensing registrations received.	177	183	183	183
• Number of drug dispensing registrations issued.	177	183	183	183
• Number of licensees.	318	328	331	333

- ◆ Goal 2 - To timely investigate complaints and provide enforcement to protect the public from incompetent services, and to provide favorable service from the Board.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of complaints received.	15	28	24	24
• Number of investigations concluded.	12	22	20	20
• Average number of days from receipt of complaint to resolution.	90	68	70	70
• Percent of complaints indicating favorable service.	89	N/A	N/A	N/A
• Disciplinary actions taken.	1	1	2	2



**AGENCY SUMMARY**  
**STATE BOARD FOR PRIVATE POST-SECONDARY EDUCATION**

Teri Candelaria, Executive Director PVA  
 Contact: Teri Candelaria, Executive Director (602) 542-2399  
 A.R.S. § 32-3001 et seq.

**PROGRAM SUMMARY**  
**LICENSING AND REGULATION**

PVA.1  
 Contact: Teri Candelaria, Executive Director  
 Phone: (602) 542-5709  
 A.R.S. § 32-3001 to 32-3058

**Agency Mission:**

To protect the health, safety, and welfare of Arizona citizens by regulating private postsecondary educational institutions and providing services to their students.

**Agency Description:**

The Board licenses and regulates approximately 152 private postsecondary educational institutions, serving approximately 170,000 students annually. The Board acts on license applications, 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)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ LICENSING AND REGULATION	243.1	258.6	245.7
➤ STUDENT TUITION RECOVERY FUND	154.8	121.8	115.3
Agency Total	397.9	380.4	361.0

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	243.1	258.6	245.7
Other Non-Appropriated Fund	154.8	121.8	115.3
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	397.9	380.4	361.0
FTE Positions	3.5	4.0	4.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Maintain effective and efficient regulation for a continued increase in the licensee base*

The number of institutions are expected to continue to increase as a result of other governmental agencies requiring businesses offering training to be licensed by this Board. There has also been an increase in the number of institutions offering specialized training as the demand for education grows.

**Strategic Issue Number: 2**

*Regulation of web based programs.*

Online learning programs continue to expand in all sectors of education. Industry trends indicate that the number of institutions and students will continue to increase as a result of online access to education.

**Program Mission:**

*To protect the health, safety and welfare of Arizona citizens by regulating private postsecondary educational institutions and providing services to their students.*

**Program Description:**

The Board licenses and regulates approximately 145 private postsecondary educational institutions, serving approximately 110,000 students annually. The Board acts on license applications, determines compliance, investigates complaints and violations, and takes disciplinary action.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	243.1	258.6	245.7
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	243.1	258.6	245.7
FTE Positions	3.5	4.0	4.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To ensure legal operations, ethical practices, and quality education in the private postsecondary sector.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of institutions licensed.	136	152	160	165
● Number of licenses approved.	330	396	420	440
● Number of adverse actions taken.	2	7	10	10
● Number of inspections conducted.	28	28	40	40
● Number of students enrolled.	107,000	170,700	175,000	177,500
● Number of licenses denied.	1	0	2	2
● Number of institutional closures.	7	7	8	8

- ◆ Goal 2 - To timely investigate student/consumer complaints and adjudicate the complaints to protect the public.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of student complaints filed.	29	24	30	30
● Number of student complaints rejected.	16	10	15	15
● Number of student complaints investigated.	13	14	15	15
● Number of student complaints resolved/dismissed.	13	14	13	13

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of student complaints resulting in disciplinary action.	0	0	2	2
● Number of consumer complaints filed.	49	48	50	50
● Number of consumer complaints investigated.	49	48	50	50
● Number of consumer complaints resolved.	48	49	48	48
● Number of consumer complaints resulting in disciplinary action.	1	1	2	2

◆ Goal 3 - To efficiently and effectively administer the licensing and regulation program of the Board.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer Satisfaction Survey (1-8 Scale).	N/A	N/A	7	7
● Administration as a percentage of total cost.	22	6.5	6.5	6.5

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of claims rejected.	3	0	5	5
● Number of claims paid/settled/closed.	21	13	35	35
● Number of claims pending.	14	26	0	0
● Average number of days to pay claims.	90	90	90	90

◆ Goal 2 - To collect or secure monies sufficient to provide for student financial restitution.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of institutions billed.	96	8	93	15
● Amount of assessments collected (in thousands).	207.1	22.4	266.5	22.5
● Amount available to students (in thousands).	623.7	491.3	636.0	543.2

◆ Goal 3 - To provide students access to their educational records in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of student record requests received.	1,100	1,278	1,200	1,200
● Number of student record requests processed.	1,100	1,278	1,200	1,200
● Average number of days to process requests.	14	12	21	21



PVA.2                      PROGRAM SUMMARY  
**STUDENT TUITION RECOVERY FUND**

Contact: Teri Candelaria, Executive Director  
 Phone: (602) 542-5709  
 A.R.S. § 32-3071 to 32-3077

**Program Mission:**

*To protect the health, safety and welfare of Arizona citizens by regulating private postsecondary educational institutions and providing services to their students.*

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	154.8	121.8	115.3
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>154.8</b>	<b>121.8</b>	<b>115.3</b>
FTE Positions	0.0	0.0	0.0

**Program Goals and Performance Measures:**

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of claims filed.	38	39	40	40

**AGENCY SUMMARY  
BOARD OF PSYCHOLOGIST EXAMINERS**

Maxine McCarthy, Executive Director SYA  
 Contact: Marcus Harvey, Deputy Director (602) 542-8161  
 A.R.S. § 32-2061, et. seq.

**Agency Mission:**

To protect the health, safety, and welfare of Arizona citizens by regulating the psychology profession.

**Agency Description:**

The State Board of Psychologist Examiners examines and licenses professionals to practice in the field of psychology. The Board also accepts complaints against licensees, investigates allegations, and administratively adjudicates complaints. The Board serves professionals licensed to practice in the State, as well as all Arizona citizens who receive these professional services.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	259.8	319.9	314.5
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>259.8</b>	<b>319.9</b>	<b>314.5</b>
FTE Positions	4.0	4.0	4.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Board reform*

The Board has established a Task Force to address concerns from its licensees, psychological associations and the general public regarding the Board's complaint process and the way in which the Board handles discipline of psychologists. Proposals from the Task Force may require that the Board expend additional monies to develop new procedures such as a three-tiered complaint handling process which would necessitate hiring consultants to review complaints. Other Task Force suggestions would require that the Board's statutes be revised which would mean that the Board would need to hire a lobbyist to run the legislation.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To protect the public from incompetent practitioners by efficiently processing the license applications of psychologists to determine if the Board's statutory and rule requirements have been met.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Applications received.	70	96	81	82
• New licenses issued.	46	86	66	66
• Number of licensees (active/inactive).	1,612	1,630	1,696	1,691
• Average days to process an application for licensure (from receipt of application to issuance).	40	30	37	36

- ◆ Goal 2 - To protect the public from incompetent services and unprofessional and unethical conduct timely by investigating and adjudicating complaints against psychologists.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of complaints received about licensees.	63	46	51	53
• Complaints resolved.	56	59	51	55
• Average calendar days to resolve a complaint.	119	125	120	120
• Number of investigations.	63	46	51	53

- ◆ Goal 4 - To encourage public input regarding the Board's performance by utilizing customer surveys.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Customer satisfaction rating (Scale 1-8).	7	7	7	7

- ◆ Goal 5 - To measure the Board's administrative costs as a percentage of its total budget.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Administration as a % of total cost.	7	6	6	6





**AGENCY SUMMARY  
DEPARTMENT OF RACING**

Geoffrey E. Gonsler, Director RCA  
 Contact: Luis A. Marquez, Administrative (602) 364-1695  
 Services Manager  
 A.R.S. § 5-101 et seq

**Agency 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.

**Agency Description:**

The Department of Racing regulates the Arizona pari-mutuel horse and greyhound racing industry. The Department oversees and supervises all commercial horse, greyhound, and county fair meetings; licenses all participants; collects state revenues generated by race meetings; promotes and encourages the breeding of horses and greyhounds in the State; and enforces laws and rules related to racing and wagering to protect industry participants and the public. The Department also regulates and supervises all boxing, kickboxing, tough man, and mixed martial arts events in Arizona to ensure compliance with laws and regulations and, thereby, protect all participants.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ COMMERCIAL RACING	3,540.8	3,280.8	3,280.8
➤ COUNTY FAIR RACING	1,089.9	1,143.8	1,143.8
➤ BOXING	54.2	74.6	74.6
Agency Total	4,684.9	4,499.2	4,499.2

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,366.5	2,442.5	2,442.5
Other Appropriated Funds	315.1	438.0	438.0
Other Non-Appropriated Fund	2,003.3	1,618.7	1,618.7
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	4,684.9	4,499.2	4,499.2
FTE Positions	46.5	46.5	46.5

**Strategic Issues****Strategic Issue Number: 1***Recovering Operating Costs from the Racing Industry*

Like many other state agencies, the Department of Racing has been negatively impacted by the state's budget situation. The Department's budget was cut by nearly \$180,000 (or 5.5%) during the 2002 fiscal year. The FY 2003 budget was reduced an additional \$150,000, or 4.9%, before considering standard and technical adjustments. The FY 2004 budget is similar to the FY 2003 budget, except for technical and standard adjustments. The Department's regulatory function is diminished as the resources available are reduced. Positions have been left vacant and employee functions have been restructured to provide a more efficient service while maintaining a linear operation. The Department must find other mechanisms to fund its regulatory functions if the racing industry is to continue to prosper in Arizona and the Department is to maintain a regulatory level that ensures the safety and integrity of the industry. Like

other industries in Arizona, the racing industry promotes the development of the economy by providing employment opportunities in an important sector of the economy. Regulation is important for a healthy development of the state's racing industry, for safeguarding the interests of the wagering public, and the interests, health and safety of all participants. In other industries the regulated party provides enough funding to the State for its regulation and a safe and healthy environment can be maintained. During FY 2003, the racing industry provided \$804,660 in direct revenue to the state, but the Department spent almost \$2.4 million from its General Fund appropriation, which represents almost 200% more than what was collected. The Department must collect at least as much as it spends in order to comply with its statutory obligations without consuming resources from other sectors of the economy. Therefore, increased fees and an operating cost recovery mechanism must be developed to satisfy such needs in the near future. The Department believes that a formula that prorates the cost among all permits based on their share of the State's racing industry during the previous fiscal year is an equitable way of calculating how much each permit holder should provide to the Department for its regulatory functions. This change will allow the Department to continue to operate as the racing industry changes while eliminating the need for General Fund monies for the Commercial Racing program, Horse and Greyhound Racing subprograms.

**Strategic Issue Number: 2***Declines in Racing-Related State Revenues*

Arizona state revenues associated with racing have declined. Only two of Arizona's commercial racetracks pay any pari-mutuel taxes. In FY 2003, total pari-mutuel tax revenue was \$660,583, down 12% from FY 2002. Until FY 2001, Phoenix Greyhound Park (PGP) generated most of the state's pari-mutuel tax revenues. On FY 2002, taxes paid by permittees operating PGP fell by more than \$1 million, or 86%, to just \$162,000. The Department estimates that pari-mutuel tax revenues for FY 2004 are to be comparable to the \$660,583 received in FY 2003. Seven funds are "guaranteed" funding from pari-mutuel taxes, license fees, and a share of monies from the disposition of unclaimed property. Declines in pari-mutuel revenues have increased the revenues needed to meet statutory minimums from unclaimed property receipts. In FY 2003, unclaimed property receipts contributed more than \$2.96 million to the seven funds. This trend reduces General Fund revenues because whatever the remaining balance in the unclaimed property receipts, is what would go to the General Fund. It is possible that state pari-mutuel revenues will fall further if changes within the competitive gaming climate (including issues identified elsewhere) have significant impact on the levels of pari-mutuel wagering in Arizona. It is possible to increase pari-mutuel tax revenues by modifying statutory formulas and expanding the permittee revenue that is included in those calculations.

**Strategic Issue Number: 3***Changes in the Competitive Gaming Marketplace*

Pari-mutuel wagering in Arizona is likely to be impacted by changes in the competitive gaming environment. Expansion of tribal casino gaming may reduce pari-mutuel wagering. In FY 2002, one tribal casino initiated actions with the Gaming Department hoping to secure authority to receive simulcast signals directly from an out-of-state provider if an Arizona permittee cannot provide a teletrack wagering product. In addition, legislative and other changes in neighboring states also could reduce wagering in Arizona. Racetracks in New Mexico are allowed to operate casinos, and purses offered to horsemen there have increased dramatically. In California, legislation authorizing account wagering was signed into law in 2001, and account wagering was operational in the first quarter of 2002. These changes in neighboring states may attract participants and customers that otherwise would participate in Arizona.

**Strategic Issue Number: 4***Viability of and Continued Operations at Existing Tracks*

Nationally, the amount of pari-mutuel wagering on horse and greyhound racing has been stable over the past decade, with only a few states showing any significant growth in wagering handle. Throughout the US, several

tracks have closed in recent years, as declines in business have negatively impacted racetrack operations. Pari-mutuel wagering in Arizona fell for the first time in many years in FY 2002. Wagering on greyhound races, particularly at Phoenix Greyhound Park, has declined 8.6% in the last year. Yuma Greyhound Park was the last Arizona track to cease live racing (it closed in 1993 after a nearby Tribal casino opened). It is possible that an Arizona racetrack or racetracks may not generate sufficient business to warrant continued operation. A track closure would negatively impact Department of Racing employees as well as industry participants because many participants would probably move to other states to find racetracks where to compete.

**Strategic Issue Number: 5**

*Employee Retention and Development*

Like many other agencies, the Department experiences turnover among employees, particularly in certain positions, at higher than desired rates. The Department will make efforts to retain its employees and attract the most qualified candidates, when filling vacant positions. The Department also intends to provide employees with training opportunities to enable them to perform better, provide superior customer service, and enhanced career development.

**Strategic Issue Number: 6**

*Boxing Intergovernmental Agreements with Indian Tribes*

The Tribal organizations have requested that the Department seek an increased regulatory and oversight presence in all areas of the State and more revenue by establishing intergovernmental agreements with Indian Tribes interested in conducting events regulated by the Boxing Commission. The industry will benefit because additional events provide additional opportunities for expanding this regulated sport in Arizona. Additionally, events that are regulated in the same manner and with similar requirements reduce the need for participants and other officials to learn different procedures whenever they take part in any of these events. The increased number of events in remote areas of the State will require additional resources from the Department and more funds. Therefore, these agreements will establish a fee schedule to increase funding to the State, especially during this time of budget constraints. The additional funding could satisfy the needs of the Boxing regulatory functions and promote a safer environment for the participants because they would have to deal only with one regulatory agency as opposed to many different ones within the State. The Department proposes the creation of a non-appropriated Boxing fund that would benefit from those fees. 90% of the fees collected as part of the agreements with Indian Tribes will be deposited into the new non-appropriated Boxing fund to provide monies for the increased costs of operation associated with the additional responsibilities established in the agreements with the Indian Tribes. 10% of the fees collected will be deposited to the General Fund to help increase state revenues for other programs.

RCA.1                      PROGRAM SUMMARY  
**COMMERCIAL RACING**

Contact: Luis A. Marquez, Administrative Services Manager  
Phone: (602) 364-1695  
A.R.S. § 5-101 to 5-115

**Program Mission:**

*To regulate and supervise pari-mutuel racing and wagering conducted in Arizona in order to protect racing participants and the wagering public.*

**Program 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.

**This Program Contains the following Subprograms:**

- ▶ **Horse Racing**
- ▶ **Greyhound Racing**

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,312.3	2,367.9	2,367.9
Other Appropriated Funds	36.1	72.7	72.7
Other Non-Appropriated Fund	1,192.4	840.2	840.2
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>3,540.8</b>	<b>3,280.8</b>	<b>3,280.8</b>
FTE Positions	39.4	39.4	39.4

RCA.1.1                      SUBPROGRAM SUMMARY  
**HORSE RACING**

Contact: Luis A. Marquez, Administrative Services Manager  
Phone: (602) 364-1695  
A.R.S. § 5-101 to 5-115

**Subprogram 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.*

**Subprogram 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 Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,394.5	1,202.6	1,202.6
Other Appropriated Funds	18.9	37.5	37.5
Other Non Appropriated Fund	581.4	416.0	416.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,994.8</b>	<b>1,656.1</b>	<b>1,656.1</b>
FTE Positions	19.4	19.4	19.4

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Number of rulings issued.	592	536	525	550
• Percent of original actions upheld on appeal.	71.4	58.8	65.0	75.0

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of positive equine drug tests.	1.6	1.6	1.7	1.5
● Number of horse racing investigations conducted regarding compliance with rules.	148	178	200	225
● Percent of investigations resulting in disciplinary action.	69.6	77.5	80.0	85.0
● Total complaints received.	19	9	10	12
● Average calendar days from receipt of complaint to resolution.	14	28	16	12

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of licenses issued.	3,938	1,905	2,590	3,590
● Number of licenses denied.	32	7	10	15
● Number of investigations conducted regarding licensing.	588	342	450	550
● Percent of investigations resulting in disciplinary or enforcement action.	17.5	14.6	15.0	18.0
● Percent of license denials upheld on appeal.	75.0	100.0	66.7	75.0
● Percent of applications completed within the required time.	100.0	100.0	100.0	100.0
● Percent of total horse racing licensees with disciplinary action.	0.07	0.59	0.45	0.30
● Percent of licensee reviews with no violations.	99	99.4	98	99

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of eligible breeders.	2,439	2,481	2,500	2,550
● Percent of eligible breeders winning awards.	2.9	7.0	8.5	10.0
● Number of eligible horses.	4,599	4,972	5,100	5,200
● Percent of eligible horses winning awards.	9.3	3.0	7.5	10.0
● Percent of awards processed and paid within 30 days following the end of each quarter.	100.0	75.0	100.0	100.0

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Employee turnover rate.	2.0	25.0	15.0	10.0
● Percent of accredited Stewards.	86.0	80.0	95.0	100.0
● Percent of vacant positions announced throughout the industry and the Internet.	N/A	100.0	95.0	100.0
● Number of employees who completed formal work-related training.	N/A	0	3	4

RCA.1.2                      SUBPROGRAM SUMMARY  
**GREYHOUND RACING**

Contact: Luis A. Marquez, Administrative Services Manager  
 Phone: (602) 364-1695  
 A.R.S. § 5-101 to 5-115

**Subprogram 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.*

**Subprogram Description:**

The Department of Racing regulates and supervises all commercial greyhound racing meetings, conducts investigations, 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	917.8	1,165.3	1,165.3
Other Appropriated Funds	17.2	35.2	35.2
Other Non Appropriated Fund	611.0	424.2	424.2
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,546.0</b>	<b>1,624.7</b>	<b>1,624.7</b>
FTE Positions	20.0	20.0	20.0

**Subprogram Goals and Performance Measures:**

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of rulings Issued.	164	123	145	165
● Percent of original actions upheld on appeal.	100.0	25.0	65.0	75.0
● Percent of positive canine drug tests.	0.02	0.03	0.10	0.08

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of greyhound racing investigations conducted regarding compliance with rules.	18	128	150	175
● Percent of investigations resulting in disciplinary action.	100.0	14.0	50.0	65.0
● Total complaints received.	12	12	12	12
● Percent of applications completed within the required time.	100.0	100.0	100.0	100.0
● Average calendar days from receipt of complaint to resolution.	13	26	15	12
● Percent of greyhound racing licensees with disciplinary action.	.03	.18	.10	.08
● Number of investigations resulting in disciplinary action.	13	18	75	112

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of licenses issued.	1,561	483	880	1,550
● Number of licenses denied.	31	0	25	25
● Number of investigations conducted regarding licensing.	203	92	200	225
● Percent of investigations resulting in disciplinary or enforcement action.	8.9	9.8	15.0	25.0
● Percent of license denials upheld on appeal.	100.0	100.0	100.0	100.0
● Percent of licensee reviews with no violations.	99.6	99.8	98	99.0

◆ Goal 3 - To license participants and inspect dogs and the facilities where they are maintained and 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of facilities licensed.	44	51	55	55
● Number of inspections conducted at facilities.	168	145	150	160
● Number of inspections resulting in violations and disciplinary action.	6	4	6	8
● Number of litter inspections.	144	130	140	150
● Percent of litter inspections conducted within 30 days.	99.3	99.2	99.5	99.8
● Percent of breeding whelping inspections conducted for greyhounds whelped.	16.4	16.1	18.0	20.0

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of breeders winning awards.	10.6	12.0	14.0	16.0
● Number of greyhounds earning awards.	845	1,330	1,350	1,400
● Number of eligible greyhounds (in thousands).	6.6	7.1	7.3	7.5
● Percent of awards processed and paid within 30 days following the end of each quarter.	100.0	75.0	100.0	100.0

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Employee turnover rate.	3.0	33.0	15.0	10.0
● Percent of accredited Stewards.	100.0	0.0	50.0	75.0
● Percent of vacant positions announced throughout the industry and the Internet.	N/A	100.0	95.0	100.0
● Number of employees who completed formal work-related training.	N/A	0	2	3

RCA.2 PROGRAM SUMMARY  
COUNTY FAIR RACING

Contact: Luis A. Marquez, Administrative Services Manager  
Phone: (602) 364-1695  
A.R.S. § 5-101 to 5-115

**Program 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.*

**Program Description:**

The Arizona Department of Racing, County Fair 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	279.0	365.3	365.3
Other Non-Appropriated Fund	810.9	778.5	778.5
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,089.9</b>	<b>1,143.8</b>	<b>1,143.8</b>

FTE Positions 5.6 5.6 5.6

**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of races supervised.	505	506	500	500
● Number of rulings issued.	60	50	55	60
● Percent of original actions upheld on appeal.	100.0	75.0	85.0	95.0
● Percent of positive equine drug tests.	0.95	1.9	0.90	0.85
● Number of investigations conducted regarding compliance with rules.	9	13	20	25
● Number of county fair racing investigations resulting in disciplinary action.	19	8	15	20
● Number of county fair race days regulated.	60	62	62	62
● Number of county fair races supervised - including simulcasting.	2,302	2,606	2,600	2,700

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of licenses issued.	553	252	1,100	545
● Number of licenses denied.	5	2	6	6
● Number of investigations conducted regarding licensing.	113	48	75	110
● Percent of investigations resulting in disciplinary or enforcement action.	16.8	8.3	30.0	35.0
● Percent of license denials upheld on appeal.	100.0	100.0	100.0	100.0
● Percent of applications completed within required time.	100.0	100.0	100.0	100.0

- ◆ Goal 3 - To encourage and promote county fair racing in Arizona by providing staff to operate County Fair race meetings and through the distribution of subsidies for purses and Betterment Fund monies to Fair facilities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Amount of betterment monies distributed (thousands).	782.7	810.9	778.5	778.5
● Percent of Arizona County Racing Association Meetings attended by Department staff.	100.0	100.0	100.0	100.0

- ◆ 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 hours racing industry.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Employee turnover rate.	2.0	63.0	45.0	25.0
● Percent of accredited stewards.	100.0	67.0	80.0	90.0
● Percent of vacant positions announced throughout the industry and the Internet.	N/A	20.0	75.0	90.0
● Number of employees who completed formal work-related training.	N/A	1	2	2

RCA.3                      **PROGRAM SUMMARY**  
**BOXING**

Contact: Luis A. Marquez, Administrative Services Manager  
 Phone: (602) 364-1695

**Program Mission:**

*To regulate and supervise boxing events conducted in Arizona to protect all participants in these events.*

**Program Description:**

The Department regulates and supervises all boxing, kickboxing, tough man, and mixed martial arts events in Arizona to ensure compliance with laws and regulations, thereby protecting all participants.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	54.2	74.6	74.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>54.2</b>	<b>74.6</b>	<b>74.6</b>
FTE Positions	1.5	1.5	1.5

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To ensure that all events under Commission jurisdiction held in the state are sanctioned by the Arizona State Boxing Commission and that all participants are duly licensed.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of bouts without serious injury to contestants.	100.0	100.0	100.0	100.0
● Number of events sanctioned.	29	26	30	35
● Number of boxing licenses issued.	444	335	400	425
● Percent of licenses issued for all applications.	99.3	98.5	97.0	98.0
● Number of bouts.	145	130	145	160

- ◆ Goal 2 - To investigate all allegations of rules violations that may harm the athlete or the public.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of boxing investigations resulting in disciplinary action.	0.0	0.0	25.0	50.0
● Number of boxing investigations versus number of bouts.	3/145	2/130	10/145	15/160



**AGENCY SUMMARY  
RADIATION REGULATORY AGENCY**

Aubrey Godwin, Director AEA  
 Contact: Art Nunez, Admin. Svcs. Off. I (602) 255-4845  
 A.R.S. § 30-652 et seq.

**Agency Mission:**

To protect the health and safety of the citizens of the State of Arizona from unnecessary radiation exposure from all natural and man-made sources.

**Agency 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 certification of those performing nuclear medicine technology and those operating X-ray equipment.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ RADIATION EVALUATION AND COMPLIANCE	2,407.0	2,521.9	2,823.1
Agency Total	2,407.0	2,521.9	2,823.1

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,485.4	1,519.0	1,821.6
Other Appropriated Funds	210.9	239.9	239.9
Other Non-Appropriated Fund	468.1	451.6	451.6
Federal Funds	242.6	311.4	310.0
Agency Operating Funds Total	2,407.0	2,521.9	2,823.1
FTE Positions	33.0	33.0	36.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Relationship with federal agencies will remain uncertain.*

The U.S. Nuclear Regulatory Commission has reduced training support to the states. In addition, security requirements are increasing for the safety of radioactive materials. The Food and Drug Administration continues to support the mammography program. Other federal agencies may support some state activities.

**Strategic Issue Number: 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 7 years the U.S. Department of Energy has scheduled some 12,000 shipments of radioactive waste along I-40. The I-40 corridor, including the nearby railroad, is to be used for shipment of spent nuclear fuel and high level radioactive waste to the Nevada Test Site operated by the U.S. Department of Energy. These shipments are expected to occur after 2010. This will require the state to maintain a trained response team for possible radiation accidents within the state.

**Strategic Issue Number: 3**

*Drinking water standards will be changing, and some may cause some problems with supplies.*

The U.S. Environmental Protection Agency has proposed new radiation standards for drinking water. In addition, EPA has adopted new standards for uranium which will cause some Arizona public water supplies to have to treat their water. The Agency, in association with the Department of Environmental Quality, will perform the assessments of the water supplies and the associated impacts on the public.

**Strategic Issue Number: 4**

*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 Agency is requested to perform monitoring of the shipments. The addition of security requirements for large quantity shipments may also require the ability to monitor them at ports of entry.

**Strategic Issue Number: 5**

*X-ray tube head growth exceeds Agency resources.*

The number of x-ray tube heads in Arizona increases at a rate of about 3.5% per year. The staffing and equipment for the Agency is not keeping up with this rate of growth. The reduction in staff caused by reduced funding from the state has caused the Agency to be further behind in the inspection of x-ray facilities. The Agency may be as much as 25% behind in its inspection of x-ray tubes by 2005.

**Strategic Issue Number: 6**

*A major radiation incident may occur within the next two years.*

Since 1979 a major radiation incident to which the Agency has responded has occurred approximately every four to five years.

**Strategic Issue Number: 7**

*The growth of the number of certified x-ray technologists has exceeded the Medical Radiologic Technology Board of Examiners resources.*

The number of certified x-ray technologists in Arizona increases at a rate of approximately 10% per year. Staffing has not grown at a rate to maintain the staff to certificate ratio that was in effect in 1979 when there were only 1,488 certified technologists. There is an anticipated increase of 800 technologists by 2004 due to recent changes in statutes. The resulting fees have provided funds which have now been made available to the Board.

**Strategic Issue Number: 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 any other major radiation accident. Currently, the state is averaging 2 shipments per month of quantities of radioactive material for which the U.S. Nuclear Regulatory Commission requires notice to the state of the shipment and consideration by the state of armed escorting the shipment.

**AEA.1 PROGRAM SUMMARY  
RADIATION EVALUATION AND COMPLIANCE**

Contact: Art Nunez, Business Manager  
 Phone: (602) 255-4845  
 A.R.S. § 30-652 et seq.

**Program Mission:**

*To fulfill the scientific and technical requirements of the agency mission.*

**Program Description:**

Radiation Evaluation and Compliance (REC) is comprised of five subprograms. The duties of the subprograms are distinguished

according to primary responsibilities: licensing/registration, inspection, emergency (incident) response, environmental surveillance, and administrative services.

The Nuclear Emergency Management Fund monies are represented here as Other Non-Appropriated Funds, but they originate as a General Fund appropriation reimbursed by an industry assessment.

**This Program Contains the following Subprograms:**

- ▶ **Radioactive Materials/non-ionizing Radiation**
- ▶ **X-ray Compliance**
- ▶ **Emergency Response**
- ▶ **Radiation Measurement Laboratory**
- ▶ **Medical Radiologic Technology Board of Examiners**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,485.4	1,519.0	1,821.6
Other Appropriated Funds	210.9	239.9	239.9
Other Non-Appropriated Fund	468.1	451.6	451.6
Federal Funds	242.6	311.4	310.0
<b>Program Total</b>	<b>2,407.0</b>	<b>2,521.9</b>	<b>2,823.1</b>
FTE Positions	33.0	33.0	36.0

AEA.1.1 SUBPROGRAM SUMMARY  
**RADIOACTIVE MATERIALS/NON-IONIZING RADIATION**  
 Contact: Art Nunez, Business Manager  
 Phone: (602) 255-4845  
 A.R.S. § 30-652 et seq

**Subprogram 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.*

**Subprogram Description:**

The Radioactive Materials (RAM) and Non-Ionizing Radiation (NIR) subprogram licenses medical, industrial, and academic users of radioactive materials, particle accelerators, and non-ionizing radiation sources. On-site inspection 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.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	474.2	484.2	562.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	1.4	0.0
<b>Subprogram Total</b>	<b>474.2</b>	<b>485.6</b>	<b>562.5</b>
FTE Positions	8.0	8.0	9.0

**Subprogram Goals and Performance Measures:**

- ◆ **Goal 1 - To identify and license or register all users of radioactive materials or particle accelerators in Arizona.**

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Customer satisfaction rating.	Baseline	7.2	6.5	6.5
• Number of licenses.	283	321	325	325
• New licenses and renewals .	79	64	70	70
• Accelerator registrations.	48	51	52	54
• Accelerator registration actions.	10	28	25	25

- ◆ **Goal 2 - To identify and register all new users of non-ionizing radiation sources in Arizona and renew registrations as appropriate.**

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Non-ionizing radiation licenses, active.	567	677	680	690
• Non-ionizing radiation licensing actions.	253	291	290	290

- ◆ **Goal 3 - To inspect all users of radioactive materials or particle accelerators according to Agency regulations.**

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of radioactive materials inspections.	116	138	140	150
• Accelerator inspections.	20	27	30	30

- ◆ **Goal 4 - To inspect NIR users to assure conformance with radiation safety regulations**

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Non-ionizing radiation licenses inspected.	144	131	160	160

- ◆ **Goal 5 - To show Agency-wide goals and objectives as shown in Budget Act.**

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Administration as a per cent of total expenditures.	17.1	22.2	18	18

AEA.1.2 SUBPROGRAM SUMMARY  
**X-RAY COMPLIANCE**  
 Contact: Art Nunez, Business Manager  
 Phone: (602) 255-4845  
 A.R.S. § 30-652 et seq



**Subprogram Mission:**

To protect the citizens of Arizona from overexposure or unnecessary exposure to x-ray radiation.

**Subprogram 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 mammographic, chiropractic, dental, veterinary, industrial and medical disciplines. The subprogram supports safe use by operators and the minimization of patient exposure.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	253.7	263.7	409.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	94.6	110.0	110.0
<b>Subprogram Total</b>	<b>348.3</b>	<b>373.7</b>	<b>519.6</b>
FTE Positions	8.0	8.0	9.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To register all x-ray tubes within the State of Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● X-Ray tubes registered.	10,656	11,087	11,385	11,783

- ◆ Goal 2 - To inspect all x-ray tubes to ensure continuous compliance with health and safety standards.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● X-Ray tubes inspected.	3,006	2,493	2,500	3,000
● Percent of x-ray tubes inspected.	28.1	22.1	18	17
● X-ray machines inspected.	2,850	2,375	1,850	1,850
● Percent of x-ray tubes overdue for inspection.	17.6	21.9	25.0	27.0

**Subprogram 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 off-site.

**Subprogram 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 civil defense instruments to HAZMAT organizations and conducts training of and directs a 40-member monitor pool. The subprogram also arranges for the disposal of abandoned radioactive material sources.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	173.0	176.0	176.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	174.8	162.1	162.1
Federal Funds	98.0	150.0	150.0
<b>Subprogram Total</b>	<b>445.8</b>	<b>488.1</b>	<b>488.1</b>
FTE Positions	3.0	3.0	3.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To respond effectively to any radiological incidents or accidents within Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Radiological incidents (non-Palo Verde related).	11	21	12	12
● Radiological incidents (Palo Verde related).	0	0	1	1

- ◆ Goal 2 - To promote Agency radiological incident response capabilities within the State's HAZMAT community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of contact procedure pamphlets distributed to users.	1,100	1,500	1,000	1,000
● Number of assistance requests (state, local or federal agency).	18	13	10	10

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of volunteers trained.	42	75	75	75
● Number of monitoring team members.	30	47	50	50

AEA.1.3 SUBPROGRAM SUMMARY  
**EMERGENCY RESPONSE**

Contact: Art Nunez, Business Manager  
Phone: (602) 255-4845  
A.R.S. § 30-652 et seq

- ◆ Goal 4 - To ensure that HAZMAT teams around the state are capable of effective first response to incidents involving radioactive materials.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of instrument kits distributed to qualified teams.	20	30	10	10
● Number of response team members trained.	376	449	300	300

AEA.1.4 SUBPROGRAM SUMMARY

**RADIATION MEASUREMENT LABORATORY**

Contact: Art Nunez, Business Manager  
 Phone: (602) 255-4845  
 A.R.S. § 30-652 et seq

**Subprogram 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.*

**Subprogram 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 and other statewide concerns for radiation releases to the environment. 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. 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	584.5	595.1	673.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	293.3	289.5	289.5
Federal Funds	50.0	50.0	50.0
<b>Subprogram Total</b>	<b>927.8</b>	<b>934.6</b>	<b>1,013.0</b>
FTE Positions	9.0	9.0	10.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To analyze environmental samples to ensure that no radioactivity beyond background is present.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of environmental sample analyses.	7,450	7,300	7,500	7,500

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Radon canisters analyzed.	1,078	400	500	400

- ◆ Goal 3 - To monitor statewide population centers and mining concerns for radiation.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● TLD monitoring sites.	105	0	0	0
● Air samples stations throughout the state.	24	0	0	0

- ◆ Goal 5 - To provide laboratory support to the Department of Environmental Quality drinking water and mining programs.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of water samples analyzed.	90	15	50	50

AEA.1.5 SUBPROGRAM SUMMARY

**MEDICAL RADIOLOGIC TECHNOLOGY BOARD OF EXAMINERS**

Contact: Art Nunez, Business Manager  
 Phone: (602) 255-4845  
 A.R.S. § 32-2801 et seq

**Subprogram 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.*

**Subprogram 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	210.9	239.9	239.9
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>210.9</b>	<b>239.9</b>	<b>239.9</b>
FTE Positions	5.0	5.0	5.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To assure qualifications and issue certificates to qualified applicants.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Qualified technologists certified, total.	4,706	5,284	5,379	5,900

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Certificates issued within 30 days.	956	3,045	1,092	1,192
● Number of active medical radiologic technologist certificates.	5,434	6,193	6,993	7,200

◆ Goal 2 - To enforce A.R.S. § 32-2801 et seq.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of complaints.	65	86	86	99
● Number of complaints resolved.	44	67	63	76

◆ Goal 3 - To conduct investigations required by A.R.S. § 32-2821(B).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of investigations.	46	91	51	59



**AGENCY SUMMARY  
DEPARTMENT OF REAL ESTATE**

Elaine Richardson, Commissioner REA  
 Contact: Curtis A. Leaf, Executive Staff (602) 468-1414  
 Assistant  
 A.R.S. § 32-2101 et seq

**Agency Mission:**

To safeguard and promote the public interest through timely and capable assistance, fair and balanced regulation, and sound and effective education.

**Agency Description:**

Under A.R.S. Title 32, Chapter 20 and Arizona Administrative Code Title 4, Chapter 28, the Department regulates real estate, cemetery, and membership camping licensees, including the approval and monitoring of 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 activities of licensees, investigates complaints against licensees and land developers, and participates in administrative hearings pertaining to their conduct. The Department regulates the sale of subdivided and certain unsubdivided lands, timeshares, condominiums, membership campgrounds, and cemeteries. The Department also administers a recovery fund program available to persons who have sustained out-of-pocket losses and have obtained an otherwise uncollectible money judgment against a licensee for conduct violating statutory duty.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,061.4	3,104.9	3,104.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	153.3	264.7	264.7
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>3,214.7</b>	<b>3,369.6</b>	<b>3,369.6</b>
FTE Positions	66.0	66.0	66.0

**Strategic Issues**

**Strategic Issue Number: 1**

*To implement an online licensing renewal program*

To coordinate with IBM, the Government Information Technology Agency (GITA) and the General Accounting Office to design, test and implement an online broker and sales license renewal program. The program will not only allow the licensee to renew online but will also allow for payment of the required fees through use of credit cards. The program will also allow the licensee to print the new license on their office or personal home printer. The goal is to have the new system totally operational by July 1, 2004.

**Strategic Issue Number: 2**

*Regulatory impacts*

At the end of FY 03, the Department had eleven vacant positions. Two were in the process of being filled and nine were vacant either because of no funding or no guarantee of on-going funding in FY 04. Two of the positions are investigators, one is a subdivision investigator and one is a subdivision representative. The other five are from the licensing staff. For the past several years, the real estate industry has been a key factor in the State's economy. With this level of activity, it is inevitable that there

would be an increase in illegal subdividing and other illegal activity. The result is harm to the public particularly in the area of illegal subdivision activity. Other areas of potential harm to the public include fraud, misrepresentation and unlicensed activity. The investigators are needed to help ensure that this harm does not occur. From FY 90 through FY 03, the total number of licensees has remained relatively constant - ranging from the mid 40,000's to lower 50,000's. However, as of July 1, 2003, the number of licensees totaled 57,839. This total does not include another approximately 4,000 business licenses. The licensing positions are needed to handle the increased volume of applications (59,308 - up 11.9%), the increased number of in-person customers (33,736 - up 15.4%) and the corresponding increase in the number of telephone calls which have created a drowning situation for the remaining employees. The real estate industry is rising up "in force" to request greater regulation of the real estate industry.

**Strategic Issue Number: 3**

*Unfunded health insurance costs*

The unfunded increases in health insurance costs (approximately \$33,000) and retirement costs (approximately \$72,000) will have the effect of reducing the Department's overall appropriation by approximately 3.4 percent. This will have an adverse impact on the Department's ability to safeguard and promote the public interest through timely and capable assistance, fair and balanced regulation, and sound and effective education.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To continuously improve upon customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of surveys indicating "good" to "excellent" service.	99.0	99.0	99.0	99.0

- ◆ Goal 2 - To provide accurate and timely accounting services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of claims approved and processed within 30 days.	100	100	99	99
● Percent of travel claims paid within 10 days of submission.	100	100	99	99

- ◆ Goal 3 - To assist the public by providing timely assistance and answers to real estate related issues.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Public assistance requests completed.	1,562	226	250	250
● Percentage of public assistance requests completed within 10 days of receipt.	100	100	95	95

- ◆ Goal 4 - To review and approve new courses quickly and efficiently.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average days from receipt to approval of course.	12.4	7.4	14	14

- ◆ Goal 5 - To improve the quality of class offerings and instructors by monitoring and auditing more classes.

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Classes monitored.	186	29	100	100
• Instructor development workshops.	3	0	2	2
◆ Goal 6 - To create and maintain procedures to process and print a license in an efficient and timely manner.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Average days from receipt to issuance of license.	5	3.1	4	4
• Total applications received.	53,000	59,300	60,000	60,000
◆ Goal 7 - To provide better customer service to licensees.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of licensee customer service surveys indicating good to excellent service.	98.9	98.3	95	95
◆ Goal 8 - To audit and document brokers' compliance with timely maintenance of legally required records.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of surveys indicating "good" to "excellent" service.	100	99.5	98	98
• Percentage of audits requiring reaudit or forwarding to Investigations for further action.	.031	.029	.030	.03
• Percent of brokers audited per year.	13.6	10.2	32.8	48.7
◆ Goal 9 - To reduce the hearing caseload through viable alternatives.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of cases resolved through viable alternatives to the hearing process.	78	78	50	50
◆ Goal 10 - To monitor and enforce compliance with ordered or stipulated terms or provisions.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of cases reviewed.	106	93	80	80
• Number of cases referred the Attorney General's Office for further action.	0	1	2	2
• Number of cases referred for collection.	1	5	10	10
◆ Goal 11 - To maintain the timeliness of the investigative process.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Average calendar days from receipt of complaint to resolution.	109.4	104.5	90	90
• Total complaints investigated.	655	851	700	900
◆ Goal 12 - To improve customer service through the timely issuance of public reports.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Average number of working days to issue deficiency letter on applications received.	8.8	9.0	10	10
• Percentage of customer survey responses rating the service they received as "good" to "excellent."	100	99.0	98	98
◆ Goal 13 - To maintain an appropriate ratio of administrative costs in relation to the Department's appropriation.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percentage of administrative costs.	19.4	17.4	17.4	17.4

◆ ◆ ◆ ◆ ◆ ◆

**AGENCY SUMMARY  
REGISTRAR OF CONTRACTORS**

Israel G. Torres, Director RGA  
 Contact: Manny Tarango, Assistant Director (602) 542-1525  
 A.R.S. § 32-1101

**Agency 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.

**Agency Description:**

The agency licenses and regulates residential and commercial contractors and investigates and resolves complaints against licensed and unlicensed contractors. It administers the Residential Contractors Recovery Fund, designed to reimburse residential property owners for improper workmanship by licensed residential contractors.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ REGULATORY AFFAIRS	9,047.5	10,024.5	9,075.7
➤ RECOVERY FUND	4,318.8	5,217.9	5,263.6
Agency Total	13,366.3	15,242.4	14,339.3

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	9,047.5	10,024.5	9,075.7
Other Non-Appropriated Fund	4,318.8	5,217.9	5,263.6
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	13,366.3	15,242.4	14,339.3
FTE Positions	145.8	145.8	145.8

**Strategic Issues**

**Strategic Issue Number: 1**

*Continued expansion of development areas*

Low interest rates, strong demand and available land are a catalyst to unprecedented growth in the State. Maricopa, Pima, Pinal and Yavapai counties have expanding boundaries that are taxing existing agency resources to accommodate the demands on our services.

**Strategic Issue Number: 2**

*Employee recruitment and retention*

The retention of skilled professionals is directly related to the state salary schedules. Special Market Adjustments and Special Recruitment Rates have not kept pace with the labor market salary rates in these and other areas of expertise. Constraints to an acceptable delivery of service will continue to be our inability to attract experienced personnel due to these inequities.

**Strategic Issue Number: 3**

*Consumer programs and information*

Enhancement and accessibility of our agency website is critical in our ability to provide consumer information, programs and industry updates. Continued IT resources to enhance and implement dissemination of

agency programs will be key elements in future funding issues.

**RGA.1 PROGRAM SUMMARY  
REGULATORY AFFAIRS**

Contact: Manny Tarango, Assistant Director  
 Phone: (602) 542-1525  
 A.R.S. § 32-1101

**Program 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.*

**Program Description:**

The program licenses and regulates residential and commercial contractors and investigates and resolves complaints against licensed and unlicensed contractors.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	9,047.5	10,024.5	9,075.7
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	9,047.5	10,024.5	9,075.7
FTE Positions	138.8	138.8	138.8

**Program Goals and Performance Measures:**

◆ Goal 1 - To expedite the licensing of qualified applicants.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of contractors licensed in state.	47,929	48,919	50,142	51,396
● Percent of licensing customers indicating they received excellent service.	72	86	90	90

◆ Goal 2 - To provide quality and timely service to the customer in the investigation of complaints against persons found to be in violation of contracting or related laws or regulations of the State of Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints received - unlicensed contractors.	2,906	2,623	2,689	2,756
● Percent of investigations resulting in conviction.	24	24	23	23

◆ Goal 3 - To rapidly resolve complaints filed against licensed contractors.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total inspections conducted.	10,991	10,311	10,569	10,833
● Percent of inspections customers indicating they received excellent service.	79	87	90	90

◆ Goal 4 - To effectively meet the information needs of the public and the support requirements of the agency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of hits to agency website.	248,157	414,354	424,713	435,331
● Incoming telephone calls.	229,519	215,614	221,004	226,529

◆ Goal 5 - To maintain timely processing of cases referred to the Office of Administrative Hearings.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of cases resulting in a Citation for Hearing.	2,119	2,635	2,701	2,765
● Total number of disciplinary license revocations and suspensions.	993	1,429	1,465	1,501

RG.A.2                      PROGRAM SUMMARY  
**RECOVERY FUND**

Contact: Manny Tarango, Assistant Director  
 Phone: (602) 542-1525  
 A.R.S. § 32-1131

**Program Mission:**

*To reimburse consumers who have been injured by an act, representation, transaction or conduct of a licensed residential contractor.*

**Program 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 \$20,000 for a violation.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	4,318.8	5,217.9	5,263.6
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>4,318.8</b>	<b>5,217.9</b>	<b>5,263.6</b>
FTE Positions	7.0	7.0	7.0



**AGENCY SUMMARY**  
**RESIDENTIAL UTILITY CONSUMER OFFICE**

Stephen Ahearn, Director UOA  
 Contact: Cheryl Fraulob, Business Manager (602) 364-4845  
 A.R.S. § 40-461 et. seq.

**Agency Mission:**

To obtain the lowest reasonable utility rates for residential consumers by advocating on their behalf in regulatory proceedings involving public service corporations, except member-owned nonprofit cooperative corporations, before the Corporation Commission.

**Agency Description:**

The Residential Utility Consumer Office (RUCO) examines rate cases presented to the Corporation Commission and applies accounting, legal and other criteria for determining in which cases to intervene. The technical and legal staff researches and analyzes these cases and, with the targeted use of specialized consultants, determines an appropriate position for residential ratepayers. RUCO then advocates that position before Commission proceedings.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	953.2	1,145.7	1,108.2
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>953.2</b>	<b>1,145.7</b>	<b>1,108.2</b>
FTE Positions	12.0	12.0	12.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Dynamic regulatory climate*

RUCO played an important role giving voice to residential consumer concerns while the Corporation Commission sought to restructure and inject competition into the electricity and telecommunications markets. The Commission is revisiting their experiment with "deregulation" in the electric utility industry, and consumer interests will again need representation and defending. On the telecommunications front, RUCO has played the pivotal role in uncovering anti-competitive practices in the industry, and will continue to play a watchdog role as outstanding cases are being settled. RUCO will continue to advocate for consumers and will continue to act as an objective and reliable source of information on these and other important matters.

**Strategic Issue Number: 2**

*Awareness of agency services, resources, operations and funding*

A recent legislative session wherein zero funding of RUCO was proposed pointed out the need for a more comprehensive external relations process, and not just with the Legislature. Consumer groups, homeowner's associations, local elected officials, community activists and citizens all should understand the role and value of RUCO. The small size of the agency, its small budget and its limited role all have served to institutionalize the office's lack of visibility and public awareness. The agency's demonstrated effectiveness in performing its role should be more widely known.

**Strategic Issue Number: 3**

*Education and outreach.*

Monitor and participate in federal and state activities consistent with the mission of the office, then communicate findings to appropriate audiences. RUCO will develop a comprehensive, intelligent and inexpensive education and outreach program relying heavily on electronic communications, to wit: development of speakers; continual updating and enriching of the agency website; creation of case-specific PowerPoint CD-ROMs (and other format) presentations to supply requesting groups when office personnel are unavailable to travel to civic meetings; expansion of mail list for existing bi-monthly electronic newsletter; greater use of public information for earned media coverage of RUCO and its issues.

**Agency Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of cases analyzed.	130	92	100	100
● RUCO interventions in rate making.	14	9	10	10

- ◆ Goal 2 - To secure for residential utility ratepayers the lowest reasonable rates.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of utility rate hearings.	9	2	4	4
● Number of utility hearings.	11	8	10	10
● Average rate increase requested by utilities (millions).	13.5	10.7	50	10
● Average rate increase recommended by RUCO (millions).	6.14	7.6	15	4
● Average rate increase approved by ACC (millions).	4	7.7	25	6

- ◆ Goal 3 - To protect residential consumer interests in matters involving competitive issues before the Arizona Corporation Commission.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● RUCO interventions in cases involving competitive issues.	4	4	3	2
● Administration as a percentage of total cost.	4.4	4.4	4.4	4.4
● Customer satisfaction rating for residential utility customers (Scale 1-8).	6.0	7.0	7.0	7.0





<b>AGENCY SUMMARY</b>	
<b>BOARD OF RESPIRATORY CARE EXAMINERS</b>	
Mary Hauf Martin, Executive Director	RBA
Contact: Mary Hauf Martin, Executive Director	
A.R.S. § 32-3521 to 32-3558	

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints received.	128	107	130	130
● Average days from receipt of complaint to resolution.	61	88	60	60
● Average monthly backlog of complaints not yet resolved.	1	1	1	1
● Average number of days per investigation from start to final adjudication.	61	88	60	60
● Number of licenses revoked or suspended.	26	13	20	20
● Total number of investigations conducted.	125	103	110	115
● Percent of investigations resulting in disciplinary or enforcement action.	45	44	45	45
● Percent Licensees with disciplinary action.	3	3	3	3

**Agency 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.

**Agency Description:**

The Board of Respiratory Care Examiners licenses respiratory care practitioners based on minimum competency standards set by the Legislature and regulates the practice of respiratory care in Arizona by enforcing the state laws, rules, and regulations to protect the public.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	156.0	198.6	190.6
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	156.0	198.6	190.6
FTE Positions	3.3	4.0	4.0



**Strategic Issues**

**Strategic Issue Number: 1**

*Electronic efficiency*

The IT system is very out of date and the information we need 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.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To process license and renewal applications in a timely, accurate manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● New licenses issued, temporary licenses renewed.	614	620	616	617
● Renewals.	1,111	1,119	1,125	1,125
● Average days from receipt to granting a temporary license.	1	1	1	1
● Total license re-applications/renewals issued.	1,111	1,119	1,125	1,125
● Total number applications received.	363	380	380	380

- ◆ Goal 2 - To fairly and consistently complete the initial stages of investigations of unprofessional conduct within thirty days of receipt.

**AGENCY SUMMARY**  
**STRUCTURAL PEST CONTROL COMMISSION**

Lisa Gervase, Executive Director SBA  
 Contact: Pamela J Ulbrich, Administrative (602) 255-3664  
 Services Officer II  
 A.R.S. § 32-2301 et. seq.

**Agency Mission:**

To advocate, through licensure, education, and enforcement, the safe application of pest control technologies that benefit the citizens of Arizona.

**Agency Description:**

The Structural Pest Control Commission (SPCC) licenses and regulates professional pest control companies and conducts examinations of applicators of structural pesticides.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,836.9	1,875.6	1,841.9
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	113.3	109.5	109.5
<b>Agency Operating Funds Total</b>	<b>1,950.2</b>	<b>1,985.1</b>	<b>1,951.4</b>
FTE Positions	36.0	36.0	36.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Better protect consumers (homeowners) through responsible legislation*

The SPCC continues to work with stakeholders to foster responsible, consumer oriented legislation. Most recently, in the last legislative session the passage of HB 2341 made numerous positive changes. Two of the many changes were redefining the areas of structural pest control and, mandating that only licensed applicators may apply pesticides in schools. Efforts to better protect the public remain a strategic issue and the SPCC will continue to initiate/sponsor responsible, consumer oriented legislation in subsequent legislative sessions.

**Strategic Issue Number: 2**

*Ensure, through program analysis/examination, that the Commission provides statistically valid, legally defensible tests that are based on best practices and contain the most current 'field specific' content.*

Examination validation along with a thorough review of all training materials and programs provided by the Commission to Qualifying Parties and Applicators preparing for licensure is scheduled to commence during this fiscal year in a phased approach contingent upon funding availability. Efforts to review and update Commission-offered tests in all categories have been completed while the function of test administration has been outsourced in compliance with HB 2189.

**Strategic Issue Number: 3**

*Enhance regulatory protection for consumers and improve customer service to the pest control industry.*

The SPCC has effected a computer based testing program statewide through a third party contract. As noted previously, the many benefits of this initiative are statewide accessibility (convenience); test consistency, i.e., the same experience at every test site; the effective optimization of resources for better protection of the public; technology that is on the cutting edge in terms of movement towards e-government and taxpayer

convenience; and, 'real time' test results. The SPCC will aggressively monitor outsourced testing to ensure appropriate quality assurance and fiscal responsibility. In another area of program operations, the SPCC is closely reviewing outsourced laboratory sampling activities with the goal of attaining an improved level of service, consumer protection, and accountability.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To provide accurate and efficient service to prospective licensed businesses, applicators, and qualifying parties in obtaining and maintaining credentials.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total applications received.	8,566	8,400	8,400	8,400
● Average calendar days from receipt of completed application to issuance or denial of certification.	30	27	26	25
● Licenses issued.	124	144	140	140
● Renewals issued.	945	951	950	950
● Total individuals or facilities licensed.	6,485	6,500	6,500	6,500
● Certified applicators renewed.	5,282	5,426	5,400	5,400
● Percent of applicants or license holders reporting very good or excellent service.	74	90	90	90

- ◆ Goal 2 - To provide continuous quality education to the current and future industry members through Structural Pest Control Commission presented or approved programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Hours of Commission ordered additional training.	51	50	50	50

- ◆ Goal 3 - To progressively increase the monitoring of pesticide applications to ensure proportionate efforts across all categories of licensure.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total inspections conducted.	2,772	3,211	3,300	3,350
● Pretreatments monitored.	637	467	500	500

- ◆ Goal 4 - To protect and maximize the safety of the general public through effective investigation of consumer and Commission generated complaints.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total investigations conducted.	230	141	150	150
● Investigations resulting in convictions.	36	40	40	40
● Percent of investigations resulting in disciplinary enforcement actions.	15.6	31	27	27

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of calendar days per investigation from start to final adjudication.	100	90	85	80
● Total number of licenses revoked or suspended.	14	3	7	7
● Percent of licensees with disciplinary action.	2.3	6.0	6.0	6.0
● Total consumer and Commission generated complaints.	230	125	140	140
● Average calendar days from receipt of complaint to resolution.	100	90	85	80



<b>AGENCY SUMMARY</b>	
<b>BOARD OF TECHNICAL REGISTRATION</b>	
Ronald W. Dalrymple, Executive Director	TEA
Contact: Melinda Baughman, Administrative Services Manager	(602) 364-4930
A.R.S. § 32-101, 32-106, 32-107	

**Agency Mission:**

To provide for the safety, health, and welfare of the public through promulgation and enforcement of standards of qualification for those individuals licensed and seeking licenses pursuant to the statutes governing the practice of architecture, assaying, drug laboratory site on-site supervisors and workers, engineering, geology, home inspection, landscape architecture, and land surveying. To certify remediation specialists under the greenfield program.

**Agency 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:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,176.3	1,333.7	1,306.5
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>1,176.3</b>	<b>1,333.7</b>	<b>1,306.5</b>
FTE Positions	19.0	19.0	19.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Customer Service*

The Agency continues to assess the delivery of services and seek 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.

**Strategic Issue Number: 2**

*Use of technology*

The Agency continues to explore the use of new technology to assist in a better delivery of services.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To rapidly and accurately process applications for registration.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of new registrants grading application processing as good or better.	99.9	99.9	100	100

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of days to process an application.	90	90	90	90

● Total number of professional licensees.	23,340	24,455	27,000	28,000
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- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of persons grading response to request for information as good or better.	100	99.5	100	100

- ◆ Goal 4 - To actively investigate all instances of possible illegal conduct related to professional practice.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of complainants grading complaint processing as good or higher.	N/A	99	99	99
● Percent of complaints resolved by informal methods.	99	99	98.6	99
● Number of investigations completed.	172	203	260	260
● Number of complaints received.	227	319	264	264
● Average time in calendar days from receipt of complaint to resolution.	239	301	180	180



<b>AGENCY SUMMARY</b>	
<b>VETERINARY MEDICAL EXAMINING BOARD</b>	
Jenna Jones, Executive Director	VTA
Contact: Jenna Jones, Executive Director	(602) 364-1739
A.R.S. § 32-2201	

**Agency 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, and veterinary premises.

**Agency Description:**

The examination and licensing of veterinarians is conducted on a monthly basis. Veterinary technicians are tested and certified semi-annually. Premises are inspected for licensing as applications are received. Complaints are docketed as received and are reviewed at the investigative committee monthly meetings followed by reporting of said complaints at monthly Board meetings. Investigations are conducted as to the illegal practice of veterinary medicine by unlicensed practitioners, and for alleged infractions of the Veterinary Practice Act by a licensed veterinarian. The Board also administratively adjudicates complaints through an informal interview process or a formal hearing.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	342.8	391.1	384.2
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>342.8</b>	<b>391.1</b>	<b>384.2</b>
FTE Positions	5.5	5.5	5.5

**Strategic Issues**

**Strategic Issue Number: 1**

*Information Technology*

The Agency plans to continue to investigate and move towards conversion from the current database, Paradox, to a more current and user-friendly database.

**Strategic Issue Number: 2**

*Replace outdated computer equipment in order to be compatible with new software.*

The Agency plans to replace computer equipment, and add software where needed so that Agency personnel will be able to access the new database program.

**Strategic Issue Number: 2**

*Access to public information via web site.*

The Agency plans to make information available to the public on its web site. Resources will be requested to accomplish this goal in FY 2005 and FY 2006.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To license veterinarians, veterinary technicians, and premises in accordance with mandated timeframes.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of days from receipt to granting of license.	60	60	60	60
● Veterinary applications processed.	110	95	120	120
● Veterinary technicians certified.	74	60	65	65
● Administration as a % of total cost.	3	3	3	3
● Total number of premise renewals.	0	546	0	625
● Total number of veterinarians licensed.	1,580	1,427	1,650	1,700
● Total number of veterinary renewals.	0	1,427	0	1,700
● Total number of technician renewals.	0	419	0	600
● Total certified technicians.	500	486	550	600

- ◆ Goal 2 - To rapidly investigate complaints and provide enforcement to protect the public from incompetent service and unprofessional and unethical conduct.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints docketed.	74	118	85	85
● Complaints resolved.	58	110	70	70
● Disciplinary actions.	38	87	50	50
● Average number of days from receipt of complaint to resolution.	90	90	90	90
● Number of investigations conducted.	91	107	100	100
● Number of investigations resulting in enforcement action.	72	35	80	80

- ◆ Goal 3 - To ensure that licenses are granted to competent professionals with high standards of professional and ethical conduct.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Disciplinary actions.	1.9	6.0	1.9	1.9
● Customer satisfaction.	7	16	8	8



**AGENCY SUMMARY**  
**DEPARTMENT OF WEIGHTS AND MEASURES**

J. Art Macias, Jr., Director WMA  
 Contact: Donna Wickersham, Assistant (623) 463-9932  
 Director, Administration  
 A.R.S. § 41-2051

**Agency Mission:**

To ensure equity and accuracy and the effective communication of weight and measurement standards, and to promote clean air through regulation of petroleum products and dispensing systems within the Arizona marketplace.

**Agency Description:**

The Department of Weights and Measures ensures that commercial devices used for the sale or use of items by weight or measure are correct and accurate for their intended use; houses and maintains the state's primary standards; prevents unfair dealing by weight or measure in commodities sold and purchased in this state; ensures proper labeling of products sold by weight or measure; ensures pricing of all commodities is in conformance with state law and rules; and licenses weighmasters and registered service agencies and their employees who are responsible for weight certification and calibration of devices in the marketplace. The Department also regulates two petroleum-related environmental programs: Oxygenated Fuel and Vapor Recovery. The major stakeholders of the Agency are all people who buy, sell, service, or receive items, commodities, or services by weight, measure, or count within Arizona.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ GENERAL SERVICES	1,292.1	1,313.7	1,313.7
➤ AIR QUALITY OXYGENATED FUEL	707.5	756.5	762.0
➤ VAPOR RECOVERY	383.8	471.5	471.5
<b>Agency Total</b>	<b>2,383.4</b>	<b>2,541.7</b>	<b>2,547.2</b>

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,292.1	1,313.7	1,313.7
Other Appropriated Funds	1,091.3	1,228.0	1,233.5
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>2,383.4</b>	<b>2,541.7</b>	<b>2,547.2</b>
<b>FTE Positions</b>	<b>45.5</b>	<b>44.4</b>	<b>44.4</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*Increased number of retail sites and products is growing faster than the compliance program.*

As the state continues to expand in both population and retail sites/products, the number of Department inspectors needs to be addressed to maintain a regulatory presence. The Department has implemented a change from program orientation to a district system for its inspectors. 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, and (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 inspections sites and products. Therefore, additional inspectors may be necessary to maintain a regulatory presence.

**WMA.1 PROGRAM SUMMARY**  
**GENERAL SERVICES**

Contact: Art Macias, Jr., Director  
 Phone: (623) 463-9931  
 A.R.S. § 41-2051 et. seq.

**Program Mission:**

*To ensure through systematic licensing, compliance and prompt regulatory actions that both buyer and seller receive and sell a fair weight or measure within Arizona; certify testing standards and equipment and house the state's primary standards; and provide customer service and public information to all stakeholders.*

**Program Description:**

The program's responsibility is to ensure that weighing and measuring devices are correct and accurate for their intended use; to prevent unfair dealing by weight or measure in commodities sold and purchased in this state; to provide standards and uniformity for weighing and measuring equipment; to ensure that petroleum products sold are properly represented through sampling and testing procedures; to ensure that retailers represent their prices accurately and appropriately; to ensure that all testing standards used by registered service agencies as well as those requested to be calibrated by industry meet national requirements; to ensure that all licenses are processed within required timeframes and that licensees adhere to required laws and rules; and to ensure that all stakeholders receive pertinent information relative to weights and measures programs and receive quality customer service.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,292.1	1,313.7	1,313.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,292.1</b>	<b>1,313.7</b>	<b>1,313.7</b>
<b>FTE Positions</b>	<b>24.5</b>	<b>23.4</b>	<b>23.4</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To meet targeted compliance rates for all major inspection programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of small scales in compliance.	93	92	95	96
● Percent of large scales in compliance.	87	78	89	90
● Percent of liquid measure nonLPG's in compliance.	89	100	100	100
● Percent of liquid measure LPG in compliance.	72	91	92	92

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of dispensing devices in compliance.	92	90	91	92
● Percent of taxi's in compliance.	78	85	86	87
● Percent of packages in compliance.	60	92	92	93
● Percent of UPC (price scanning) devices in compliance.	50	55	56	61

◆ Goal 2 - To license all retailers who use commercial weighing devices; weighmasters who certify weight; and companies who install, service, or test weighing and measuring devices.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of days to process applications.	15	5	5	5

◆ Goal 3 - To control administration as a percent of total cost.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration cost as percent of total cost.	16	9.6	9.7	9.7

**WMA.2 PROGRAM SUMMARY  
AIR QUALITY OXYGENATED FUEL**

Contact: Dennis Ehrhart, Assistant Director  
Phone: (623) 463-9930  
A.R.S.§ 41-2065.(A)(14)(15), (D), (E), 41-2082, and 2121

**Program Mission:**

To ensure that gasoline and diesel products sold to and used by consumers are in accordance with national and state adopted standards.

**Program Description:**

The program's responsibility is to protect the environment and the consumer by sampling and testing gasoline and diesel fuel quality and taking appropriate regulatory action. The program is also responsible for the enforcement of the Arizona Cleaner Burning Gasoline (AzCBG) program which involves the registration and regulation of the registered suppliers, blenders, and transporters of AzCBG.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	707.5	756.5	762.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>707.5</b>	<b>756.5</b>	<b>762.0</b>
FTE Positions	13.5	13.5	13.5

**Program Goals and Performance Measures:**

◆ Goal 1 - To monitor quality of gas and diesel products through the collection and analysis of fuel samples.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of non-CBG's in compliance.	99	99.9	100	100
● Percent of AzCBG's in compliance.	99	99.6	100	100

◆ Goal 2 - To register all suppliers of AzCBG and maintain 100% compliance in reporting.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Registered suppliers.	26	36	40	40

**WMA.3 PROGRAM SUMMARY  
VAPOR RECOVERY**

Contact: Dennis Ehrhart, Assistant Director  
Phone: (623) 463-9937  
A.R.S.§ 41-2065(A)(4), 41-2131 to 41-2134

**Program Mission:**

To proficiently manage Arizona's mandated vapor recovery program as required by statutes and rules enacted to comply with the Environmental Protection Agency (EPA) Clean Air Act.

**Program Description:**

The program's responsibility is to ensure that vapor recovery systems are installed in all required motor gasoline dispensing facilities and that installations are in compliance with state and EPA requirements. Vapor Recovery funding, FTE and performance measures are now included as part of the Air Quality Fund and not as a separate program.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	383.8	471.5	471.5
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>383.8</b>	<b>471.5</b>	<b>471.5</b>
FTE Positions	7.5	7.5	7.5

**Program Goals and Performance Measures:**

◆ Goal 1 - To ensure that facilities install vapor recovery systems meeting equipment and performance requirements.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of preburial tests in compliance.	100	100	100	100
● Percent of new facilities in compliance with vapor recovery standards.	85	39	76	78

◆ Goal 2 - To ensure existing vapor recovery facilities comply with operation and maintenance standards.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of facilities inspected annually that are in compliance.	93	78	90	90

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of facilities reporting and correcting deficiencies.	65	62	70	75
◆ ◆ ◆ ◆ ◆ ◆				





Education



**AGENCY SUMMARY**  
**ARIZONA STATE UNIVERSITY - EAST CAMPUS**

Dr. Michael Crow, President AXA  
Contact: Joseph Matt, Exec. Director,  
Institutional Analysis/Data Admin.  
A.R.S. § 15-1601

**Agency Mission:**

To advance and apply knowledge and technology to address professional and societal needs by offering undergraduate programs in professional and technological fields and in core liberal arts and sciences, preparing students for careers and advanced learning; offering graduate programs that serve societal needs in fields of strength; and engaging in the scholarship of discovery, integration, application, and teaching to impact the conditions and problems of society through collaboration with many partners.

**Agency Description:**

ASU East serves students and the metropolitan area through baccalaureate and graduate degree programs as well as through applied research and service. Currently, programs are offered in a number of engineering technology disciplines, agribusiness, applied biological sciences, education, business administration, applied psychology, nutrition, technical communication, applied science, interdisciplinary studies, exercise and wellness, and human health studies. Other programs will be developed in the liberal arts and sciences as well as in additional professional fields in response to student and employer demand. All programs at ASU East provide students with the knowledge and extensive technological competence to succeed in their chosen professions and further learning. ASU East 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 East 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)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ACADEMIC PROGRAMS AND SERVICES	24,636.8	24,488.3	31,439.7
➤ ADMINISTRATIVE SERVICES	3,000.0	4,199.6	4,908.3
Agency Total	27,636.8	28,687.9	36,348.0

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	12,425.6	12,425.6	17,870.8
Other Appropriated Funds	8,051.6	9,113.0	10,872.6
Other Non-Appropriated Fund	4,672.1	4,413.1	4,594.9
Federal Funds	2,487.5	2,736.2	3,009.7
Agency Operating Funds Total	27,636.8	28,687.9	36,348.0
FTE Positions	352.7	381.1	446.0

**Strategic Issues****Strategic Issue Number: 1**

*How to improve the quality of the undergraduate and graduate educational experience*

Undergraduate and graduate education are the cornerstones of the university enterprise. Students seek to obtain 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, critical thinking, and technological skills, as well as a global perspective, to be successful. ASU East achieves these goals through programs that share an emphasis on the application of knowledge to real societal problems and needs. Students at ASU East build their professional expertise on a foundation in the liberal arts and sciences. The integration of technology throughout the curriculum provides students with extensive competence in the use of technology in their chosen professions. With this focus, ASU East provides both graduate and undergraduate students with an educational experience that engages them through relevant and important content and through faculty who are reflective about their teaching and who use pedagogical techniques such as collaborative learning, service learning, and other learner-centered approaches. ASU East strives to create a sense of community and a learning environment with students at the center, celebrating and embracing diversity and interdisciplinary inquiry. The community seeks to integrate academic and social experiences through a campus life that is rich, rewarding, healthy, and involving. The community provides a learning environment that integrates the academic and out-of-class lives of students through leadership development programs and residential learning communities. ASU East also seeks to offer rich and complementary co-curricula and learning support systems that promote students' further engagement in their educational experiences. ASU East has two particular areas of concern in continuing to provide a quality educational experience for students given serious budget pressures and huge increases in student demand (about 30 percent per year over the last three years). These concerns include: 1) the need to protect the hands-on, contextual approach to instruction required in applied programs and best achieved by smaller class sizes, and 2) the push to respond to student demand by an excessive reliance on part-time faculty.

**Strategic Issue Number: 2**

*How to provide access to education for a growing student population given limited financial resources*

ASU East, in collaboration with the other anchor campuses of ASU, must provide broadened access to a quality university education for a greater diversity of the population. ASU East must accommodate the continuing growth in students who desire a relevant, professionally-oriented university education, including recent high school graduates, particularly minority populations, and a growing pool of older students seeking new competencies. Tuition increases approved by the Board of Regents for Fall, 2003, and future increases consistent with Board policy in Changing Directions, will help ensure continued access for qualified Arizona residents to a university education by providing significant increases in financial aid for needy students. ASU East will continue to contribute to broadened access by providing multiple pathways into its programs to serve traditional full time students, part-time students, and transfer students from other baccalaureate institutions and from community colleges. The innovative BAS degree serves the many associate of applied sciences degree recipients from the community colleges. Other strategies to increase access include varying the time, place, and mode of delivery of courses and programs. Broadened access, in the face of limited resources, may require leaner and more focused curricula at the expense of richness and choice for student. It could also lead to severe compromises in quality. At ASU East, the dilemma is how to sustain the quality of an ASU education in the face of student and community demand that outstrips resources. Continued growth in Arizona, particularly in the East Valley, without corresponding increases in campus resources, ensures the continuation of this dilemma.

**Strategic Issue Number: 3**

*How to recruit and retain faculty and staff in highly competitive national and local markets during a period of economic downturn and diminishing resources*

Quality faculty form the life-blood of 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 attain. At Arizona State University, the difficulty in hiring and retaining key faculty escalates with each passing year. While other states have recognized the need to retain intellectual capital and have acted accordingly, Arizona has not. As a result, the universities continue to fall farther behind. This situation is particularly difficult for ASU East because of the need to staff whole new programs with experienced faculty in a very competitive salary market. In addition, the search for and retention of faculty in technology fields finds ASU East in competition with industry salaries, which are considerably higher than university salaries.

The lack of progress in bringing staff salaries in line with the local market is equally distressing to the university. The university is clearly below the market in both the private and public sectors. Based on the most recent Joint Government Salary Survey (JGSS), ASU as a whole is 10% below the local market in staff salaries. For staff as well as faculty the small salary increases appropriated in recent years have had a negative impact on morale and, ultimately, turnover.

**Strategic Issue Number: 4**

*How to enhance and improve social embeddedness*

Development of ASU requires the university to be a fully engaged and integral part of the social and cultural 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. ASU East is about its communities. As a new university campus in the growing East Valley, the campus has enormous opportunity and responsibility to help build the region's future. As such, faculty and staff are very involved in the long-range planning for the region. The focus of ASU East on professional and applied programs also provides an inherent and strong pull for faculty and staff to become involved in the community in a self-conscious way. Faculty and students have clear mechanisms to become problem solvers in local high-tech companies and small businesses, local schools, health-related organizations, community organizations, American Indian communities, regional agribusiness's, and many aviation-related enterprises.

**Strategic Issue Number: 5**

*How to serve as the only comprehensive provider of undergraduate and graduate education in a large metropolitan area, while maintaining a nationally competitive research capacity and contributing to economic diversity in the Valley*

ASU East has a critical part to play in ASU's responsibility for providing access to a quality higher education for the citizens of Arizona. However, it is also well recognized that no large cities have attained economic and cultural greatness in the absence of a great research university. Such universities have been and always will be the magnet for the intellectual capital required to build the economic and cultural base of a great city. ASU came late into the arena of research universities, having obtained Research I status only during the last decade. Thus, ASU must plan its research agenda with great care and great focus in order to carve out an affordable niche and to ensure for the citizens of Arizona a substantial return on investment while serving growing enrollments. ASU East, along with the other campuses, must also participate in the research responsibilities of the larger ASU.

University-based research contributes to the development and transmission of basic knowledge, to quality individualized experiences for our students, and to economic development. ASU East is particularly well positioned to assist in the diversification of Arizona's high technology economic base through its strong technology programs and to assist in the economic vitality of the large base of major agribusinesses in the region. ASU East also offers special strengths that address the Science and Technology Core Competencies identified in the April 2003 Battelle report. Those areas of special expertise include an overall focus on applied research and enabling technologies, well-developed track records of

partnering with government and industry, and subject area focuses on ecological restoration, plant biology, human factors, embedded systems, environmental management technology, and all aspects of agribusiness. The research infrastructure funding passed by the legislature during the recent session enables unprecedented development of research capacity throughout ASU. At ASU East, it will provide the physical capacity to generate millions of dollars of external funding for research. Proposition 301 funding approved by Arizona voters continues to provide other important resources with which to accelerate research efforts to address diversification in the Arizona economy and workforce.

**Strategic Issue Number: 6**

*How to ensure the necessary facilities and capacity to accommodate growth*

ASU East was fortunate to gain a capital funding mechanism through the approval by Arizona's voters of Proposition 301 in November 2000. This funding allows the campus to undertake renovation and construction of a number of buildings and to improve infrastructure on campus. New classrooms and laboratories will incorporate significant instructional technology and cross-functional purposes, and will support teaching and learning in a variety of formats. Infrastructure and landscape improvements are aiding in the transformation of the physical appearance of the campus. The research infrastructure funding approved by the legislature this past June also enables ASU East to create research capacity that will serve the state and nation in special areas of applied research. Completion of the current physical development plan will support enrollment demand until 2006 or 2007. While the campus currently has capacity in instructional spaces, the capital funding available through Proposition 301 will not support growth needs beyond the next several years. Also, the lack of funds to open and operate new facilities may result in buildings that are renovated or constructed sitting vacant. After investing \$27.5 million in project costs, a continued lack of building renewal funding seriously imperils maintenance of the investment.

AXA.1

**PROGRAM SUMMARY  
ACADEMIC PROGRAMS AND SERVICES**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.

Phone: (480) 965-2318

A.R.S. § 15-1601

**Program Mission:**

*To provide high quality and innovative academic programs and services that enable students to achieve academic success, and to provide services that are learner-centered and sustain students and faculty as they pursue their academic goals.*

**Program Description:**

Academic Programs and Services provides for the delivery of an array of instructional, research, and public service programs, and basic support services for students and faculty. In addition to the academic units that provide instruction, research, and public service, support units provide functions that enable students to enroll (e.g., admissions, registrar, and financial assistance services) and to sustain their success (e.g., academic advising, learning assistance, career services). Other services critical to the educational enterprise include information technology, library services, and institutional support services. Programs and services are built on internal and external partnerships that enhance their strength.

**This Program Contains the following Subprograms:**

- ▶ **Morrison School of Agribusiness and Resource Management**
- ▶ **College of Technology and Applied Sciences**
- ▶ **East College**
- ▶ **Academic Services**
- ▶ **Information Technology**
- ▶ **Library Services**
- ▶ **Student Affairs**
- ▶ **Institutional Support Services**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,659.8	8,401.1	13,144.7
Other Appropriated Funds	8,051.6	9,113.0	10,872.6
Other Non-Appropriated Fund	4,437.9	4,238.0	4,412.7
Federal Funds	2,487.5	2,736.2	3,009.7
<b>Program Total</b>	<b>24,636.8</b>	<b>24,488.3</b>	<b>31,439.7</b>
FTE Positions	316.5	344.8	402.7

AXA.1.1 SUBPROGRAM SUMMARY  
**MORRISON SCHOOL OF AGRIBUSINESS AND RESOURCE MANAGEMENT**  
 Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To serve a leadership role in agribusiness and resource management by providing superior educational and career-oriented opportunities for students, by continuing to conduct research that directly affects the success of the agribusiness industry, and by responding to the needs and concerns of the state, national, and global agribusiness communities and their leaders.*

**Subprogram Description:**

The Morrison School of Agribusiness and Resource Management (MSABR) offers bachelor's and master's degree programs that address the business and resource management aspects of agriculture. These educational programs are designed to prepare students for the wide range of job opportunities that exist in agricultural industries and governmental agencies, both here and abroad. The faculty of the School also carry out research and public service relating to agribusiness, rural development, resource management, and public policy.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,216.1	599.0	1,372.6
Other Appropriated Funds	1,270.8	1,209.2	1,508.3
Other Non Appropriated Fund	636.1	475.5	495.2
Federal Funds	940.6	1,034.6	1,138.0
<b>Subprogram Total</b>	<b>4,063.6</b>	<b>3,318.3</b>	<b>4,514.1</b>
FTE Positions	50.3	47.9	57.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide high quality undergraduate programs that prepare students for productive professional careers in agribusiness and resource management fields.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students enrolled in undergraduate majors each fall semester.	327	385	396	425
● Undergraduate degrees awarded each year.	48	64	66	80
● Percent of graduating seniors satisfied with their overall academic experience at ASU East.	95	97	97	97

- ◆ Goal 2 - To provide a high quality graduate program that prepares students for managerial and administrative positions in agribusiness and resource management organizations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students enrolled in the graduate degree program each fall semester.	75	68	43	46
● Graduate degrees awarded each year.	12	14	11	12
● Percent of graduating graduate students satisfied with overall academic experience at ASU East.	100	90	95	100

- ◆ Goal 3 - To develop the national reputation of MSABR by strengthening research and service partnerships with agribusiness industry and resource management organizations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Sponsored projects expenditures (in thousands).	874	1,031	1,083	1,137
● Endowed chairs and professorships.	3	2	3	3
● Percent of graduating seniors with excellent or good internship experiences.	96	93	94	95

AXA.1.2 SUBPROGRAM SUMMARY  
**COLLEGE OF TECHNOLOGY AND APPLIED SCIENCES**  
 Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To educate professional technologists at undergraduate and graduate levels for careers that enable them to deliver state-of-the-art technical services to industry and government; to conduct applied research that develops and enhances technological applications; and, to provide professional service to the academic community, state, nation and world, with a special emphasis on economic development.*

**Subprogram Description:**

The College of Technology and Applied Sciences (CTAS) offers baccalaureate degree, graduate degree and non-degree programs in technological fields that support professional careers, lifelong learning and professional development. The faculty contributes to the full range of scholarly activities, with special attention to the economic development needs of the community and society through applied research.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,477.1	1,650.0	3,617.4
Other Appropriated Funds	2,662.7	2,987.5	3,726.5
Other Non Appropriated Fund	1,539.5	1,150.7	1,198.1
Federal Funds	537.2	591.0	650.1
<b>Subprogram Total</b>	<b>7,216.5</b>	<b>6,379.2</b>	<b>9,192.1</b>
FTE Positions	90.9	91.5	112.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the opportunity for undergraduate student success as graduates of the College of Technology and Applied Sciences.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students enrolled in undergraduate majors each fall semester.	616	702	791	848
● Undergraduate degrees awarded each year.	114	149	185	220
● Percent of graduating seniors satisfied with their overall academic experience at ASU East.	95	91	92	93

- ◆ Goal 2 - To increase the range and quality of graduate programs in the College of Technology and Applied Sciences.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students enrolled in graduate programs each fall semester.	298	331	375	402
● Graduate degrees awarded.	45	61	75	90
● Percent of graduating graduate students satisfied with their overall academic experience at ASU East.	96	92	93	94

- ◆ Goal 3 - To contribute to the economic development of the region, state, and nation through applied research and service to technology industries.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Sponsored projects expenditures (in thousands).	1,810	1,630	1,701	1,786

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of graduating seniors with excellent or good internship experiences.	92	80	85	90
● Endowed chairs and professorships.	0	0	0	0

AXA.1.3 SUBPROGRAM SUMMARY  
**EAST COLLEGE**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.

Phone: (480) 965-2318

A.R.S. § 15-1601

**Subprogram Mission:**

*To develop and implement new academic programs, outside of Agribusiness and Technology; to accommodate undecided students; to provide an array of General Studies and general interest courses for all students; and to provide oversight of the academic partnership with Chandler-Gilbert Community College.*

**Subprogram Description:**

East College is the initial administrative home for all new programs developed outside of Agribusiness and Technology. Currently, it offers programs in elementary education, business administration, applied psychology, applied biological sciences, nutrition, technical communication, interdisciplinary studies, human health studies, and exercise and wellness as well as general studies and prerequisite courses for all students. In the next several years, faculty will be hired to plan and implement additional new baccalaureate degree programs that are in high demand by students and employers.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,983.9	1,558.2	3,465.0
Other Appropriated Funds	2,118.1	2,916.3	3,637.8
Other Non Appropriated Fund	561.4	419.7	437.1
Federal Funds	140.3	154.3	169.7
<b>Subprogram Total</b>	<b>4,803.7</b>	<b>5,048.5</b>	<b>7,709.6</b>
FTE Positions	83.4	103.2	130.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To enrich the supporting non-major curriculum for students in all programs at ASU East.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Supporting courses that are offered each semester.	34	36	39	45
● Percent of graduating seniors who rate their course work at CGCC as good or excellent.	97	94	95	96
● Percent of first-time students persisting after one year.	70	69	70	71

- ◆ Goal 2 - To increase the inventory of majors, minors, and certificates that can be completed at ASU East in fields other than agribusiness and technology.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Complete programs offered by East College.	7	10	12	13
• Students enrolled in programs offered by East College.	654	963	1,332	1,428
• Degrees awarded each year.	201	303	400	500

AXA.1.4 SUBPROGRAM SUMMARY  
**ACADEMIC SERVICES**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To provide programs and services that enable and enhance the ability of faculty and students to be successful in pursuing their academic goals.*

**Subprogram Description:**

Academic Services contributes to building a strong, active, knowledgeable faculty body through the dissemination of academic and faculty personnel policy and procedural information and by providing growth and development opportunities. Also, Academic Services contributes to the academic development of students through programs that stimulate the scholarly achievements of students.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	684.2	1,131.9	1,158.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	500.5	374.1	389.5
Federal Funds	845.9	930.4	1,023.5
Subprogram Total	2,030.6	2,436.4	2,571.5
FTE Positions	23.2	34.4	35.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide efficient and effective academic services that support faculty and staff, including the processing of academic documents and coordination of faculty and staff development opportunities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of faculty satisfied with academic services at ASU East.	N/A	N/A	N/A	N/A
• Percent of faculty participating in one or more faculty development workshops.	44	53	60	65
• Faculty development workshops or programs offered.	12	30	30	32

- ◆ Goal 2 - To provide opportunities for students to participate in and be recognized for their academic achievements.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of graduating students who are satisfied with academic services at ASU East.	95	93	94	94
• Percent of graduating students participating in convocation ceremonies.	80	88	90	90

- ◆ Goal 3 - To improve the success of students through learning support services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of students living in the FYE hall.	N/A	51	70	100
• Percent of graduating students who are satisfied with learning support services.	N/A	92	93	93

AXA.1.5 SUBPROGRAM SUMMARY  
**INFORMATION TECHNOLOGY**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To provide technological resources and services that support the instructional, research, and administrative needs of students, faculty, and staff.*

**Subprogram Description:**

Information Technology provides the hardware and software to support centralized academic computing facilities; provides media equipment to support instructional and non-instructional needs campus-wide; provides technological resources and support for distance learning initiatives; coordinates access to voice, video, and data communications campus-wide; facilitates access to university-wide academic and administrative computing resources; and provides training and consulting services to students, faculty, and staff in the use of these resources.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,197.1	1,012.3	1,031.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	44.7	33.4	34.7
Federal Funds	0.0	0.0	0.0
Subprogram Total	1,241.8	1,045.7	1,066.1
FTE Positions	18.9	16.7	16.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide students and faculty with the technological resources and services needed to support accomplishment of their academic goals.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Computer workstations available for use by students.	317	375	434	540
● Percent of campus desktops connected to the fiber optic backbone.	100	100	100	100

◆ Goal 2 - To provide useful and timely service to the campus community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of graduating students satisfied with computer support services.	95	95	96	97

AXA.1.6 SUBPROGRAM SUMMARY  
**LIBRARY SERVICES**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To provide library resources and services that support the teaching, learning, and research activities of faculty and students at ASU East.*

**Subprogram Description:**

Library Services develops and maintains an appropriate collection of library resources in electronic and print formats, and makes the collection available to the campus community and the public, on-site and from remote locations.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	591.5	596.3	606.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.3	0.2	0.2
Federal Funds	0.0	0.0	0.0
Subprogram Total	591.8	596.5	607.0
FTE Positions	12.2	12.3	12.3

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide Library Services as an integral and essential component in the academic success of students and faculty.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of graduating students satisfied with Library Services at ASU East.	83	78	79	80
● Percent of faculty who use Library Services.	42	40	40	40
● Percent of students who use Library Services.	56	45	45	45

◆ Goal 2 - To provide access to library resources sufficient to support instruction, research, and the national leadership aspirations of the academic programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students satisfied with the accessibility of library resources.	82	79	80	81
● Workstations available for public use in library facilities.	8	8	8	18
● Number of hours the library is open each week.	65	65	87	87

AXA.1.7 SUBPROGRAM SUMMARY  
**STUDENT AFFAIRS**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To provide programs and services that support the educational and career aspirations of ASU East students and that respond to the needs of a diverse and pluralistic student population.*

**Subprogram Description:**

Student Affairs provides services that are student-oriented, responsive to constituent needs, customer-focused, and cost-effective. The services provided include admissions, orientation, registration, financial assistance, general advising, career services, residential life, food services, personal counseling, and student health services. Student Affairs also facilitates student activities and recreation, student governance processes, and other programs that support the life of students on campus.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	688.1	739.5	754.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,050.2	1,705.7	1,776.0
Federal Funds	23.5	25.9	28.4
Subprogram Total	1,761.8	2,471.1	2,558.8
FTE Positions	16.4	17.1	17.1

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide the services that facilitate the enrollment of students at ASU East.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of admitted students who register for classes.	61	63	65	70
● Percent of graduating students who are satisfied with registration services.	N/A	92	92	93



◆ Goal 2 - To provide student programs and services that enhance the quality of the campus culture and campus life.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Events and activities held for students each year.	600	550	650	750
● Student organizations registered at ASU East each year.	19	31	35	40
● Percent of graduating seniors satisfied with extra-curricular programs and services.	84	81	82	84
● Number of ASU East students living on campus.	326	279	300	325

◆ Goal 3 - To provide services that enhance the likelihood of students' academic success.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Participation in new student orientation.	150	175	200	250
● Students participating in student advisement/registration workshops.	140	145	170	200
● Students receiving financial aid services.	1,638	2,235	2,485	2,750
● Percent of first-time students persisting after one year.	70	69	70	71

**Subprogram Mission:**

*To provide leadership in the planning and development of the campus, in particular by increasing public awareness of ASU East and by emphasizing opportunities for partnerships with other educational institutions, local industries, and communities.*

**Subprogram Description:**

Institutional Support Services includes the Office of the Provost; constituent outreach, media relations, internal and external communications, government relations, alumni relations, advertising, public relations and development programs; research and sponsored projects administration; and planning, budgeting and institutional research functions.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	821.8	1,113.9	1,138.6
Other Appropriated Funds	2,000.0	2,000.0	2,000.0
Other Non Appropriated Fund	105.2	78.7	81.9
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,927.0</b>	<b>3,192.6</b>	<b>3,220.5</b>
FTE Positions	21.2	21.7	21.8

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To increase the overall visibility and public awareness of the campus, its programs, and its contributions to the region.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Partnerships with business, industry, and community organizations.	34	50	65	90
● Percent of graduating students reporting participation in internships.	52	56	57	58
● Fall semester enrollment (headcount).	2,403	3,126	3,721	3,990

◆ Goal 2 - To increase the amount of private sector financial support for ASU East programs and services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Dollars committed for student scholarships (in thousands).	1,338	1,429	1,500	1,600

◆ Goal 3 - To provide support mechanisms for ASU East researchers in an effort to increase research and sponsored project activities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Proposals submitted.	121	139	153	168
● Proposals awarded.	102	126	139	153

AXA.1.8 SUBPROGRAM SUMMARY  
**INSTITUTIONAL SUPPORT SERVICES**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

- ◆ Goal 4 - To ensure that the internal planning and development of the campus yields programs and services that are high in quality and beneficial to the state of Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of graduating students who rate their overall experience at ASU East as good or excellent.	94	93	94	94
● Percent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty.	71	71	70	70
● Number of degrees granted.	420	591	737	932
● Number of Bachelors degrees granted.	348	501	631	805
● Number of Masters degrees granted.	72	90	106	127
● Average number of years taken to graduate for student who began as freshmen.	5.4	5.2	5.2	5.1
● Administration as a percentage of total cost.	5.6	5.2	4.8	3.9

General Funds	2,765.8	4,024.5	4,726.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	234.2	175.1	182.2
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>3,000.0</b>	<b>4,199.6</b>	<b>4,908.3</b>
<b>FTE Positions</b>	<b>36.2</b>	<b>36.3</b>	<b>43.3</b>

AXA.2.1 SUBPROGRAM SUMMARY  
**BUSINESS AND HUMAN RESOURCE SERVICES**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To provide business and human resource services that are responsive to the needs of students, faculty, and staff; that are customer-focused and cost effective; and that help to create a high quality campus environment.*

**Subprogram Description:**

Business and Human Resource Services include purchasing and contract administration, accounting, bookstore, copy services, mail services, vending, stores and receiving, banking and ATM services, cashiering services, financial support services, intercampus shuttle services, and human resource services.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	305.0	326.0	333.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	27.9	20.9	21.7
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>332.9</b>	<b>346.9</b>	<b>355.2</b>
<b>FTE Positions</b>	<b>7.5</b>	<b>7.6</b>	<b>7.6</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide business services that help faculty, staff, and students to accomplish the mission and goals of the campus.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Business services provided fully on-site.	11	12	12	12

- ◆ Goal 2 - To provide human resource services that help the campus community to accomplish the mission and goals of the campus.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of agency staff turnover (classified staff only).	3.4	10.1	15	15

AXA.2 PROGRAM SUMMARY  
**ADMINISTRATIVE SERVICES**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Program Mission:**

*To provide a physical and organizational environment that supports the academic enterprise through high quality, efficient service to students, faculty, and staff.*

**Program Description:**

Administrative Services provides an infrastructure of services and facilities to support students, faculty and staff in accomplishing the campus' primary mission as an educational institution. Administrative Services include basic institutional services such as facilities development and management, human resources, public safety, and business services. Administrative Services focuses on meeting the diverse needs of its customers in a user-friendly and cost-effective manner. Administrative Services staff strive to create an infrastructure of services and facilities that contribute to the high quality of campus life for students, faculty, and staff.

**This Program Contains the following Subprograms:**

- ▶ Business and Human Resource Services
- ▶ Facilities and Safety Services
- ▶ Administrative Services Support

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

**AXA.2.2 SUBPROGRAM SUMMARY**  
**FACILITIES AND SAFETY SERVICES**  
 Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**AXA.2.3 SUBPROGRAM SUMMARY**  
**ADMINISTRATIVE SERVICES SUPPORT**  
 Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To provide a safe, functional, and pleasant physical environment that supports the programs and efforts of the academic community.*

**Subprogram Description:**

Facilities and Safety Services includes facilities development and facilities management services, parking and transit services, and public safety and risk management services.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,161.7	3,498.1	4,187.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	200.2	149.7	155.8
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,361.9</b>	<b>3,647.8</b>	<b>4,343.2</b>
FTE Positions	25.9	25.9	32.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To plan for and develop the physical environment so that it responds to the needs of students, faculty, and staff as the campus grows.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Net assignable square feet of space in use (in thousands).	250	474	492	518
● Percent of graduating students who feel a sense of campus exists at ASU East.	68	65	66	67
● Percent of graduating students satisfied with the campus environment.	76	76	77	78

- ◆ Goal 2 - To provide facilities management services that ensure the campus is well-maintained.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Campus constituents who are satisfied with the maintenance of facilities.	N/A	N/A	N/A	N/A
● Campus constituents who are satisfied with the maintenance of the campus grounds.	N/A	N/A	N/A	N/A

- ◆ Goal 3 - To provide a safe and secure campus environment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Campus constituents who are satisfied with public safety services.	N/A	N/A	N/A	N/A

**Subprogram Mission:**

*To provide leadership in the development of an infrastructure of facilities and administrative services that enable students, faculty, and staff to accomplish the mission and goals of the campus.*

**Subprogram Description:**

Administrative Services Support provides for the administrative oversight of business and financial services, human resource services, facilities development and facilities management services, and public safety services.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	299.1	200.4	205.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	6.1	4.5	4.7
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>305.2</b>	<b>204.9</b>	<b>209.9</b>
FTE Positions	2.9	2.8	2.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide leadership in developing effective and efficient services that assist students, faculty, and staff in accomplishing the goals of the campus.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Campus constituents who are satisfied with administrative services.	N/A	N/A	N/A	N/A



**AGENCY SUMMARY**  
**ARIZONA STATE UNIVERSITY - MAIN CAMPUS**

Dr. Michael Crow, President ASA  
Contact: Joseph Matt, Executive Director (480) 965-2318  
A.R.S. § 15-1601

**Agency 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.

**Agency Description:**

Arizona State University Main Campus (ASUMC) is a major public research university offering programs from the baccalaureate through the doctorate for over 47,000 full time and part time students. The ASUMC is committed to fashioning a modern university that applies the strongest features of the traditional major research university to the rapidly evolving needs of the metropolitan Phoenix area and Arizona.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ACADEMIC AFFAIRS	489,830.4	508,570.7	562,330.2
➤ RESEARCH AND ECONOMIC AFFAIRS	26,062.7	27,610.6	29,144.5
➤ STUDENT AFFAIRS	111,575.3	130,966.8	140,457.1
➤ ADMINISTRATION AND FINANCE	72,241.0	73,495.9	84,106.4
➤ INSTITUTIONAL LEADERSHIP AND ADVANCEMENT	64,890.5	67,761.6	70,813.4
Agency Total	764,599.9	808,405.6	886,851.6

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	263,293.7	263,293.7	302,581.8
Other Appropriated Funds	123,088.8	129,824.2	140,200.0
Other Non-Appropriated Fund	253,198.0	277,772.2	292,803.0
Federal Funds	125,019.4	137,515.5	151,266.8
Agency Operating Funds Total	764,599.9	808,405.6	886,851.6
FTE Positions	8,994.3	9,004.8	9,558.4

**Strategic Issues****Strategic Issue Number: 1**

*How to improve the quality of the undergraduate and graduate educational experience*

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 communications, team building, and critical thinking skills as well as a global perspective to be successful. A renewed emphasis on providing a quality educational experience requires some changes in 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 use of technology to enhance the classroom experience; through

undergraduate education which focuses on the student as an individual; and by providing an environment that fosters student scholarship. ASU has recently begun to explore new educational initiatives, including the establishment of a University College, offering an evening law school program, and expanding the role of the Downtown Center. An area of concern for ASU is that even though the teaching load of tenure-track faculty has risen over the last ten years, undergraduate access to tenure-track faculty has fallen, reflecting the fact that enrollment growth has outstripped our resource base. For example, the ratio of students to tenured/tenure-track faculty has increased from 25:1 in 1991 to 32:1 in 2002.

**Strategic Issue Number: 2**

*How to provide access to education for a growing student population given limited financial resources*

To broaden access to a quality education for all segments of the population, ASU with its three core campuses, the Downtown Center, and College of Extended Education instructional sites throughout the metropolitan region, 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 before 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 diminished state general fund support for higher education, place the idea of broad access at risk. Tuition increases approved by the Board of Regents for Fall, 2003, and future increases consistent with Board policy in Changing Directions, will help offset some of the increasing need for financial aid and improve affordability for a greater number of students.

**Strategic Issue Number: 3**

*How to recruit and retain faculty and staff in highly competitive national and local markets during a period of economic downturn and 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 Arizona State University, the difficulty in hiring and retaining key faculty is escalating with each passing year. For example, on the Main campus alone, ASU faculty salaries are in the bottom quartile when compared to peer institutions. While other states have recognized the need to retain intellectual capital during times of affluence (the '90s) as well as times of diminishing resources, and have acted accordingly, Arizona has not. As a result, the universities continue to fall further behind.

The lack of progress in bringing staff salaries in line with the local market is equally distressing to the university. While ASU does not compete on the national level for many staff positions, the university is clearly below the market in both the private and public sectors. Based on the most recent Joint Government Salary Survey (JGSS), ASU is currently 10% below the local market in staff salaries. ASU estimates its unmet salary needs will reach \$61 million by the end of FY04.

**Strategic Issue Number: 4**

*How to enhance and improve 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.

To achieve 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. 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. Greater economic opportunity, coupled with expertise available from ASU, can enhance the multicultural strengths of Phoenix and Arizona. With greater economic vitality comes the opportunity to reinvest in the artistic and cultural elements of the community.

**Strategic Issue Number: 5**

*How to serve as the only comprehensive provider of undergraduate and graduate education in a large metropolitan area, while maintaining a nationally competitive research capacity and contributing to economic diversity in the Valley*

Providing access to a quality higher education for the citizens of Arizona is a primary responsibility of ASU. It is generally recognized that no large cities have obtained economic and cultural greatness without the presence of a great research university. Such universities have been and always will be the magnet for the intellectual capital required to build the economic and cultural base of a great city.

ASU, as the fifth largest university in the nation when measured in terms of enrollment, developed late as a research university, obtaining Research I status only during the last decade. As such, ASU must plan its research agenda with great care and focus in order to create an innovative research agenda that ensures the citizens of Arizona a substantial return on investment while serving growing enrollments.

University-based research contributes not only to basic knowledge development and transmission and to quality individualized experiences for our students, but also to economic development. Arizona's high technology economic base is not highly diversified, relying primarily on the semi-conductor industry. Corresponding to the suggestions in the Battelle Institute reports of 2002 and 2003 detailing research opportunities for Arizona's universities, ASU intends to vigorously pursue long-term initiatives in such areas as biodesign, nanotechnology, and sustainable systems. Funding provided by Proposition 301 approved by Arizona voters and the recently enacted Research Infrastructure Bill for research bonding authority provide important resources with which to accelerate research efforts that address diversification in the Arizona economy and workforce.

**Strategic Issue Number: 6**

*How to ensure the necessary facilities and capacity to accommodate growth*

The University currently operates under a severe teaching and research space shortage, as documented in a 1998 Board of Regents study. Each of the campuses operates with library and research deficiencies, the total of which exceeds 750,000 square feet. The Main Campus' deficiency in class laboratory space exceeds 100,000 square feet. Compounding these existing shortages is the University's continuing growth, both in enrollment demand and research and service responsibilities. To alleviate these shortages, the Main Campus building program includes occupancy of the new University Services Building, construction and occupancy of the new Lattie F. Coor Hall in January, 2004, construction of the AZ Biodesign Institute Phase I, and planned construction of Phase II. In addition, ASU will occupy leased space in the "Brickyard" in downtown Tempe, and may obtain leased space in the proposed ASU Foundation building.

The provision of improved and available learning environments featuring classrooms and laboratories that facilitate learner-centered delivery modes is contingent on a program of improved utilization policies with room upgrades that incorporate new instructional technologies and flexible room formats. Instructional technology and room flexibility can permit improved room utilization. The lack of funds to open and operate new buildings and to maintain and upgrade existing buildings has instead resulted in a deterioration of space. State appropriations for operations and maintenance at the ASU Main campus have totaled 22% of requests since 1990. Further, the state has allocated to the university less than 33% of the required funds set by the state's building renewal formula since the program's inception in 1987, contributing to an accumulated \$53.4 million deferred maintenance backlog.

ASA.1 PROGRAM SUMMARY  
ACADEMIC AFFAIRS

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Program 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.*

**Program Description:**

Academic Affairs 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 Academic Affairs plays an important role, such as at the dean and department chair levels. In addition to the colleges, Academic Affairs includes Other Instructional Support, University Libraries and Museums, Academic Computing, Administrative Information Technology/Telecommunications, and Academic Affairs Administrative Support.

**This Program Contains the following Subprograms:**

- ▶ College of Architecture and Environmental Design
- ▶ W. P. Carey School of Business
- ▶ College of Education
- ▶ College of Engineering and Applied Sciences
- ▶ College of Extended Education
- ▶ Katherine K. Herberger College of Fine Arts
- ▶ Graduate College
- ▶ The Barrett Honors College
- ▶ College of Law
- ▶ College of Liberal Arts and Sciences
- ▶ College of Nursing
- ▶ College of Public Programs
- ▶ Other Instructional Support
- ▶ University Libraries and Museums
- ▶ Academic Computing
- ▶ Admin. Information Technology/ Telecommunications
- ▶ Academic Affairs Administrative Support

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	197,155.9	196,120.5	225,939.7
Other Appropriated Funds	123,088.8	129,824.2	140,200.0
Other Non-Appropriated Fund	90,257.7	95,368.7	99,705.2
Federal Funds	79,328.0	87,257.3	96,485.3
<b>Program Total</b>	<b>489,830.4</b>	<b>508,570.7</b>	<b>562,330.2</b>
FTE Positions	6,422.6	6,372.1	6,781.0

**ASA.1.1 SUBPROGRAM SUMMARY**  
**COLLEGE OF ARCHITECTURE AND ENVIRONMENTAL DESIGN**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To offer a quality professional design and planning education, one that empowers graduates and the communities that they serve to make wise, informed decisions about the design and planning of their surroundings.*

**Subprogram Description:**

The College of Architecture and Environmental Design prepares students for professional careers in the disciplines of architecture, interior design, graphic design, industrial design, landscape architecture, housing and urban development, and planning. The College offers advanced degrees that equip students to advance their disciplines through the new ideas and understandings developed by research. The College serves the community through the Joint Urban Design Program and the Herberger Center for Design Excellence. The College promotes a general understanding of the environment by offering courses to non-majors and the community.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,894.3	3,565.2	4,263.6
Other Appropriated Funds	3,594.7	3,881.1	4,179.1
Other Non Appropriated Fund	981.8	1,027.1	1,077.4
Federal Funds	146.2	160.8	175.2
Subprogram Total	8,617.0	8,634.2	9,695.3
FTE Positions	130.9	132.3	141.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of undergraduate education by providing enriched educational opportunities to undergraduate students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of undergraduate degree recipients participating in research related or capstone (case study) experience.	100	99	99	99
● Percent of graduating seniors who rate their academic major experience at ASU as satisfactory or very satisfactory.	96	89	90	90

- ◆ Goal 2 - To become recognized leaders and partners in design and planning education that benefits society and the natural environment through stimulating relationships with local, national, and international communities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Programs and symposia on subjects that possibly affect the city and surrounding environments.	42	50	51	52

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Studio projects that will enable students to experience the urban laboratory.	46	48	49	50

**ASA.1.2 SUBPROGRAM SUMMARY**  
**W. P. CAREY SCHOOL OF BUSINESS**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To expand the knowledge of business and to educate men and women for managerial leadership with a vision of serving Arizona as one of the top-25, internationally rated schools of business.*

**Subprogram Description:**

The W. P. Carey School of Business is one of the largest in the United States. Its enrollment includes approximately 1,300 doctoral and masters students and over 2,600 undergraduate majors. One of 12 colleges on the main campus of Arizona State University, the W. P. Carey School of Business is a substantial and integral part of the higher education system in Arizona.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	19,820.5	14,929.1	17,853.3
Other Appropriated Funds	18,295.9	16,251.6	17,499.8
Other Non Appropriated Fund	9,389.3	9,823.4	10,304.3
Federal Funds	462.0	508.2	554.0
Subprogram Total	47,967.7	41,512.3	46,211.4
FTE Positions	558.9	489.9	523.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of undergraduate education by providing enriched educational opportunities to undergraduate students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of undergraduate degree recipients participating in research related or capstone (case study) experience.	95	96	95	95
● Percent of graduating seniors who rate their academic major experience at ASU as satisfactory or very satisfactory.	93	93	90	90

- ◆ Goal 2 - To recruit, retain, and graduate a highly qualified and diverse student body.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of minority undergraduate students.	20	20	20	20
● Percent of minority graduate students.	12	13	12	12

- ◆ Goal 3 - To increase the number and extent of its partnerships with the business community.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Membership in the Dean's Council of 100 and the Economic Club.	272	290	340	370

ASA.1.3 SUBPROGRAM SUMMARY  
**COLLEGE OF EDUCATION**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To prepare teachers, administrators, helping professionals, researchers, and policy makers in a culture of excellence and equity. To meet the educational needs of children, youth, and adults at high levels of mastery for their individual achievement and carrying out the adult roles of citizens, parents, workers, neighbors, and leaders in a democratic society.*

**Subprogram Description:**

The College of Education offers undergraduate and graduate courses that prepare individuals to assume a variety of roles in educational and other applied settings. Faculty and students pursue research, independently and cooperatively, to keep classroom pedagogical techniques current. The College of Education assists practitioners through a variety of educational services, including sponsored conferences, seminars, workshops, and projects.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	8,387.8	7,543.8	9,021.3
Other Appropriated Funds	7,742.5	8,212.0	8,842.7
Other Non Appropriated Fund	4,332.2	4,532.6	4,754.4
Federal Funds	7,926.6	8,718.9	9,503.6
Subprogram Total	28,389.1	29,007.3	32,122.0
FTE Positions	350.4	363.0	391.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of undergraduate education through providing training of pre-service teachers in more diverse settings.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of graduating elementary education majors serving internships in economically, culturally AND linguistically diverse settings.	100	100	100	100
● Percent of graduating seniors who rate their academic major experience at ASU as satisfactory or very satisfactory.	89	92	93	93

- ◆ Goal 2 - To increase the enrollments of racial/ethnic groups (African Americans, Asian Americans, Hispanics and American Indians) as well as of international students.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Undergraduate students from targeted groups enrolled in Fall semester.	483	542	555	565
● Percent of undergraduate students from targeted groups enrolled in Fall semester.	23	23	23	24
● Graduate students from targeted groups enrolled in Fall semester.	486	459	470	480
● Percent of graduate students from targeted groups enrolled in Fall semester.	25	24	25	25

- ◆ Goal 3 - To offer more courses off-campus to better serve the needs of Arizona students and educators.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Sections of courses taught off-campus during year.	831	806	800	810

- ◆ Goal 4 - To increase externally funded grant and contract activities in the College.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Externally funded grant and contract dollars awarded (in thousands).	10,695	11,283	11,684	13,517
● Externally funded grant and contract dollars expended (in thousands).	8,320	10,233	9,591	9,931

ASA.1.4 SUBPROGRAM SUMMARY  
**COLLEGE OF ENGINEERING AND APPLIED SCIENCES**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To provide our students with a high-quality education ensuring graduates a foundation for success in their future roles within society; To support the research, education and professional service needs of industry, business and government in Arizona and the nation; To enhance the economic well-being of Arizona.*

**Subprogram Description:**

The college provides students with a range of educational opportunities by which they may achieve competence in the major branches of engineering, in computer science, and in construction. Formal instruction is supplemented by individual mentoring in which selected undergraduate and graduate students are trained to pursue independent research activity. The College also supports the research activities of its faculty as well as non-credit courses intended to enable life-long learning and professional development.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	20,897.0	18,954.1	22,666.7
Other Appropriated Funds	19,289.5	20,633.2	22,217.9
Other Non Appropriated Fund	21,632.8	22,632.9	23,740.9
Federal Funds	24,992.5	27,490.6	29,964.8
Subprogram Total	86,811.8	89,710.8	98,590.3
FTE Positions	1,002.5	1,048.2	1,128.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of undergraduate education by providing enriched educational opportunities to undergraduate students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of undergraduate degree recipients participating in research related or capstone (case study) experience.	95	96	97	97
● Percent of graduating seniors who rate their academic major experience at ASU as satisfactory or very satisfactory.	84	84	86	86

- ◆ Goal 2 - To enhance research productivity by developing a stable external funding base.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Externally funded expenditures for research, education, and service (in millions of dollars).	33	35	40	50

- ◆ Goal 3 - To enhance the working relationship with industry through partnering in research and education.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Externally funded expenditures from industry (in millions of dollars).	6.0	9.2	10	10
● Courses offered by TV/Video/Web.	103	74	70	70

ASA.1.5 SUBPROGRAM SUMMARY

**COLLEGE OF EXTENDED EDUCATION**

Contact: Joseph Matt, Executive Director

Phone: (480) 965-2318

A.R.S. § 15-1601

**Subprogram Mission:**

*To provide an interactive link between Arizona State University (ASU) and diverse communities in order to meet life-long learning requirements. In partnership with ASU's campuses, colleges, and the community, the College serves life-long learners using a variety of locations, programs, schedules, and technologies.*

**Subprogram Description:**

The university-wide College of Extended Education provides an interactive link to the services and resources of Arizona State University (ASU). In partnership with ASU's campuses, colleges, and the community, the College extends ASU by providing access to the delivery of quality instruction. The College serves nontraditional and traditional learners in a variety of locations using innovative methods, curricula, schedules, and technology. The College of Extended Education advances ASU's community outreach mission by promoting and engaging in collaborative research efforts, by providing community leadership and services, by developing and supporting community and economic development activities, and through partnerships with business, governments, and community organizations. Note: Performance measure data for FY 2002 and earlier are for ASU Main campus only; FY 2003 actuals and future estimates are for the entire University.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,894.8	2,399.9	2,869.9
Other Appropriated Funds	1,749.0	2,612.5	2,813.1
Other Non Appropriated Fund	5,256.7	5,499.7	5,768.9
Federal Funds	2.1	2.4	2.6
Subprogram Total	8,902.6	10,514.5	11,454.5
FTE Positions	106.8	110.9	118.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve accessibility and delivery of academic instruction, professional and personal development, training, technical assistance, and information to local, regional, national, and international populations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total CEE credit course registrations (duplicated enrollments).	38,390	50,842	65,929	81,015
● Professional/Continuing Education & Global & Community Outreach enrollments.	6,041	7,979	9,427	10,874
● Degree/certificate (credit) programs offered evenings/weekends and off-campus.	47	58	75	80



Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Off-campus credit courses offered during the Fall semester (includes technology-delivered courses).	629	774	912	1,051
◆ Goal 2 - To plan, develop, and implement expanded use of interactive technologies to support and enhance the delivery mission of the University.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Technology-delivered courses.	470	577	646	714
● Staff technical assistance to faculty (in hours).	5,431	6,580	7,132	7,931
◆ Goal 3 - To enhance economic, social, community, and cultural development of the community through instruction, research, and community service.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Extended campus sites (credit/non-credit).	176	261	275	277
● External partnerships and collaborations with business, industry and community groups facilitated by Extended Education.	123	90	150	139
● Number of ASU Downtown Center facility users.	100,063	92,269	105,341	111,821
◆ Goal 4 - To have the following performance measures developed as a result of the Program Authorization Review (PAR) of the College of Extended Education.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● 21st day fall semester FTE students in off-campus courses that are counted for appropriations purposes.	3,621	4,228	5,078	5,929
● FTE students in all forms of off-campus credit courses for the Fall semester.	2,893	5,356	6,329	7,302
● Enrollments (course registrations) in all forms of off-campus credit courses for the Fall semester (includes technology-delivered courses).	11,209	14,496	17,229	19,963
● Degree programs in which all credit may be earned at an off-campus location.	33	43	41	46
● Degree programs in which partial credit may be earned at an off-campus location.	3	5	3	4
● Off-campus sites and centers at which credit courses are offered (Maricopa County and other).	399	270	318	367
● Off-campus sites and centers at which credit courses are offered in Maricopa County.	316	227	259	290

ASA.1.6 SUBPROGRAM SUMMARY  
**KATHERINE K. HERBERGER COLLEGE OF FINE ARTS**  
 Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To enrich the lives of students and the larger community through programs that encourage artistic innovation and collaboration.*

**Subprogram Description:**

One of the largest such colleges in the country, the Katherine K. Herberger College of Fine Arts includes 1,800 undergraduate students, 500 graduate students, and 300 faculty and staff, who are organized into the Schools of Art and Music, the Departments of Dance and Theatre, the University Art Museum, and the Institute for Studies in the Arts. The College's educational programs embrace majors and non-majors. They also include many public performances, exhibitions and events, which, in turn, serve as a cultural resource for the campus and community.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,919.1	9,147.5	10,939.3
Other Appropriated Funds	9,156.0	9,957.9	10,722.6
Other Non Appropriated Fund	2,594.3	2,714.3	2,847.2
Federal Funds	55.3	60.8	66.3
<b>Subprogram Total</b>	<b>21,724.7</b>	<b>21,880.5</b>	<b>24,575.4</b>
FTE Positions	357.2	363.3	389.6

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To improve the quality of undergraduate education.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Faculty and others who participate in teaching and learning workshops.	105	110	110	110
● Percent of undergraduate degree recipients participating in research related or capstone (case study) experience.	97	96	96	96
● Percent of graduating seniors who rate their academic major experience at ASU as satisfactory or very satisfactory.	86	88	89	90

◆ Goal 2 - To strengthen research and creative activity throughout the College.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of faculty involved in research and creative activity.	94	96	96	96

ASA.1.7	SUBPROGRAM SUMMARY <b>GRADUATE COLLEGE</b>
Contact:	Joseph Matt, Executive Director
Phone:	(480) 965-2318
A.R.S.	§ 15-1601

**Subprogram Mission:**

*To promote and support the integrity, quality, and vitality of graduate programs and to ensure their currency. To serve as an advocate for all advanced studies at Arizona State University and promote rigorous standards of quality, access, and equity in all graduate programs. To foster innovation and community partnerships and facilitate interdisciplinary programs.*

**Subprogram Description:**

The Graduate College enhances quality graduate education through programs complementing department efforts to recruit, retain, and graduate a highly qualified student body which has ethnic and gender diversity. The College enriches and supports ASU's graduate education by giving attention to professional and research-oriented programs and interdisciplinary study. The College also supports undergraduate education by preparing graduates for faculty roles and assures adherence to rigorous academic policies and practices through program evaluations and monitoring of educational processes.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,232.3	1,015.8	1,214.7
Other Appropriated Funds	1,137.5	1,105.7	1,190.7
Other Non Appropriated Fund	1,073.5	1,123.1	1,178.1
Federal Funds	152.2	167.5	182.5
<b>Subprogram Total</b>	<b>3,595.5</b>	<b>3,412.1</b>	<b>3,766.0</b>
FTE Positions	61.2	56.3	60.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To support and enhance graduate programs central to the mission of the University.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students enrolled in interdisciplinary degree programs administered by the Graduate College.	310	300	305	310

- ◆ Goal 2 - To improve the quality and increase the diversity of students in graduate programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Minority graduate enrollment as percent of total enrollment.	14.7	15.7	16.0	16.5

- ◆ Goal 3 - To promote the retention and graduation of graduate students in all programs and support their professional development for employment in the workforce of the next century.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Doctorate degrees granted.	313	343	315	320

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Masters degrees granted.	2,293	2,353	2,370	2,380
● First Professional degrees granted.	151	195	200	205

ASA.1.8	SUBPROGRAM SUMMARY <b>THE BARRETT HONORS COLLEGE</b>
Contact:	Joseph Matt, Executive Director
Phone:	(480) 965-2318
A.R.S.	§ 15-1601

**Subprogram Mission:**

*To meet the educational needs of highly motivated, academically talented undergraduates and to provide them with curricular and co-curricular activities that will allow them to compete effectively with top graduates from traditionally elite colleges and universities.*

**Subprogram Description:**

The Barrett Honors College (BHC) organizes the resources of the University for the benefit of highly motivated, academically strong undergraduates. It is a magnet to draw such students to ASU and a portal through which they gain full access to its resources. Combining the community and engagement associated with small colleges and the breadth of educational opportunity only comprehensive research institutions offer, the College seeks to enhance all undergraduate education at ASU by developing and testing within a small, personal environment program that can transfer to the greater University. BHC promotes academic honoraries, guides students to relevant internships, mentors applicants for fellowships, and assists students with graduate school applications.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	837.2	758.9	907.5
Other Appropriated Funds	772.8	826.1	889.6
Other Non Appropriated Fund	34.0	35.6	37.4
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,644.0</b>	<b>1,620.6</b>	<b>1,834.5</b>
FTE Positions	31.0	30.6	32.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To enhance the number and diversity of the most highly qualified high school graduates entering Arizona State University and the Barrett Honors College.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Honors undergraduate headcount students.	2,400	2,715	2,710	2,500
● National Merit, Flinn, and other scholars enrolled at ASU.	1,344	1,672	1,650	1,650

◆ Goal 2 - To increase graduation rates for first-time, first-year students entering UHC.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● BHC degree recipients for first-time, first-year entering freshmen.	122	113	125	125
● Courses offered for honors credit.	3,597	1,856	1,900	2,000
● Students completing honors courses.	4,322	3,063	3,100	3,200

ASA.1.9 SUBPROGRAM SUMMARY  
**COLLEGE OF LAW**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To attract and retain an outstanding and diverse student body and faculty; to acquaint students with basic principles of law and related disciplines, and to provide them with skills necessary for them to function successfully as lawyers; to produce and publish pathbreaking scholarship; and to provide useful service to the legal profession and the public.*

**Subprogram Description:**

The College of Law provides a three year, full time, comprehensive program of study leading to the Juris Doctor (J.D.) degree. Law faculty are expert in a wide variety of law related fields, in which they teach, produce scholarship and provide community service. Arizona State University College of Law graduates generally become practicing lawyers and often become community leaders.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,820.0	4,723.5	5,648.7
Other Appropriated Funds	4,449.3	5,141.9	5,536.9
Other Non Appropriated Fund	1,113.0	1,164.4	1,221.4
Federal Funds	135.8	149.4	162.8
Subprogram Total	10,518.1	11,179.2	12,569.8
FTE Positions	118.8	123.9	132.8

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To maintain and enhance an excellent and appropriate instructional program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of student credit hours (SCH) taught by faculty with J.D.'s or Ph.D.'s.	100	100	100	100
● Percent of graduates passing the Arizona Bar exam (first-time).	81	85	85	85
● Percent of courses in which students rate their professor's overall teaching ability as good or excellent.	100	100	100	100

◆ Goal 2 - To increase community partnerships and to improve and enhance the College's service to the community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of eligible students participating in externships, internships, and other field experiences.	57	58	55	55
● Number of externships, internships, and other field experiences contributing to community partnerships.	247	250	250	250
● Service programs sponsored by the Indian Legal Program.	17	20	24	25
● Clients, cases or members of the public served through clinical programs.	2,761	2,848	2,850	2,850
● Percent of graduating students who reported doing pro bono work during law school.	46	44	55	55
● Percent of the graduating class with Pro Bono Distinction by performing 50 or more hours of pro bono service during law school.	22	22	26	28

ASA.1.10 SUBPROGRAM SUMMARY  
**COLLEGE OF LIBERAL ARTS AND SCIENCES**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To provide a liberal arts education for students and a foundation for professional education. To foster scholarship and creativity among faculty and students.*

**Subprogram Description:**

The College of Liberal Arts and Sciences is the academic center of the University. In contrast to the specialized education offered by professional and vocational schools, the College provides a liberal education for all students. The College provides instruction in 23 departments and two interdisciplinary units in the humanities, natural sciences, and social sciences. Closely allied to instruction is research activity, which brings timeliness and professional authority to teaching programs. Research skills attract external grants that support advanced learning for both undergraduate and graduate students. Faculty provide expertise to the external community and offer workshops and lectures to local organizations and schools.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	48,478.0	45,330.6	53,737.2
Other Appropriated Funds	45,496.9	48,655.1	52,796.9
Other Non Appropriated Fund	22,023.3	23,979.6	24,821.3
Federal Funds	38,723.7	42,594.2	47,802.7
Subprogram Total	154,721.9	160,559.5	179,158.1
FTE Positions	1,994.9	2,041.7	2,197.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of undergraduate education by providing enriched educational opportunities to undergraduate students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of undergraduate degree recipients participating in research related or capstone (case study) experience.	78	80	80	80
● Percent of graduating seniors who rate their academic major experience at ASU as satisfactory or very satisfactory.	93	92	93	93

- ◆ Goal 2 - To sustain and enhance academic excellence in research and creative activities in order to provide a quality learning environment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Research proposals submitted for external funding.	671	681	700	720
● Research funding expenditures (in millions of dollars).	48	53	60	65

ASA.1.11      SUBPROGRAM SUMMARY  
**COLLEGE OF NURSING**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of undergraduate degree recipients participating in research related or capstone (case study) experience.	100	100	100	100
● Percent of graduating seniors who rate their academic major experience at ASU as satisfactory or very satisfactory.	90	93	94	95

- ◆ Goal 2 - To prepare nurses for leadership and advanced practice roles in a complex and changing health care environment by providing innovative and flexible graduate programs for different students groups who will care for diverse populations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Graduate students from under-represented minority groups.	22	21	21	21
● Percent of graduate students obtaining national certification in advanced practice role.	100	100	100	100

ASA.1.12      SUBPROGRAM SUMMARY  
**COLLEGE OF PUBLIC PROGRAMS**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To educate professional nurses at the undergraduate and graduate levels to provide the highest quality health care and to critically examine and effectively respond to changing health care needs of society; to conduct research and creative activities that strengthen the knowledge base of the discipline; and to provide service to the community through a range of nursing activities.*

**Subprogram Description:**

Nursing prepares undergraduate students for licensure and careers as generalists in the nursing profession. Graduate degrees prepare nurses in advanced practice nursing specialties. Nursing also provides credit and non-credit offerings for the continuing education and advancement of practicing nurses in the community.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,726.4	2,526.9	3,021.8
Other Appropriated Funds	2,516.7	2,750.7	2,962.0
Other Non Appropriated Fund	950.3	994.2	1,042.9
Federal Funds	2,113.4	2,324.7	2,533.9
Subprogram Total	8,306.8	8,596.5	9,560.6
FTE Positions	124.1	127.1	137.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To prepare professional nurses to practice in a complex and changing health care environment to meet the needs of diverse populations through innovative and flexible programs which are responsive to various student populations.

**Subprogram Mission:**

To meet the needs of students and the broader society for programs of instruction, research, training and technical assistance that are relevant and nationally distinguished for their quality in communication, journalism, mass communication, justice studies, recreation management and tourism, social work, American Indian studies, Asian Pacific American studies and public affairs.

**Subprogram Description:**

The College of Public Programs offers degrees in broadcasting, communication, journalism and mass communication, justice studies, recreation management and tourism, public administration, social work and American Indian studies. Certificates are offered in American Humanities (management of non-profit human service agencies), American Indian Studies, Asian Pacific American Studies, nonprofit leadership and public management. Master's degrees are offered in justice studies, mass communication, communication, recreation management and tourism, social work, and public affairs. At the doctoral level, the College offers the Ph.D. in justice studies, social work, communication, and public administration. The college has approximately 4,600 undergraduate majors and pre majors, 760 master's students, and 205 doctoral students with a full time tenured and tenure-track faculty of 123. The College also houses the Morrison Institute for Public Policy, the Advanced Public Executive Program, the Center for Urban Inquiry and the Center for Nonprofit Leadership and Management.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,628.7	8,999.2	10,761.9
Other Appropriated Funds	8,888.0	9,796.4	10,548.7
Other Non Appropriated Fund	7,443.5	7,787.7	8,168.8
Federal Funds	2,989.3	3,288.0	3,583.9
<b>Subprogram Total</b>	<b>28,949.5</b>	<b>29,871.3</b>	<b>33,063.3</b>
FTE Positions	370.4	379.6	407.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To serve the community and broader society, and increase public trust and confidence, by offering undergraduate and graduate instruction that is accessible, efficient, high quality, and nationally distinguished.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Persistence rate for freshmen (in percent).	77	80	81	82
● Persistence rate for Lower Division transfers (in percent).	82	77	78	79
● Persistence rate for Upper Division transfers (in percent).	81	82	83	84
● Percent of graduating seniors who are satisfied or very satisfied with their advising in their major field of study.	84	85	85	86
● Percent of graduating seniors who rate their academic major experience at ASU as satisfactory or very satisfactory.	94	93	93	93

- ◆ Goal 2 - To serve the community and broader society by conducting research and public service activities that contribute to the quality of the learning environment, the well-being of society and that are nationally distinguished for their quality.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Research and creative activities as indicated by refereed articles, books, edited books, book chapters, and book reviews.	184	178	180	184

ASA.1.13 SUBPROGRAM SUMMARY  
**OTHER INSTRUCTIONAL SUPPORT**  
 Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

To provide centralized instructional programming and services for both students and faculty which enhance and complement academic activities offered through the colleges.

**Subprogram Description:**

The Other Instructional Support Subprogram is comprised of a wide variety of academic programs which serve students and faculty. Activities focusing on students involve undergraduate academic services such as university survival and adjustment, writing across the curriculum, academic advising, evaluation and testing services, and international programs. This area also includes summer sessions and general instruction, specialized programs such as Project Prime and the American Indian Institute, and the Academic Senate.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,935.3	19,592.2	21,342.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	9,519.9	9,960.1	10,447.7
Federal Funds	446.0	490.6	534.7
<b>Subprogram Total</b>	<b>17,901.2</b>	<b>30,042.9</b>	<b>32,324.4</b>
FTE Positions	656.5	541.7	553.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide high quality undergraduate instructional programs that complement college degree curricula by strengthening students' skills in written and verbal communication and facilitating their adjustment to the University environment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Academic Success at the University course sections offered.	145	131	135	135

- ◆ Goal 2 - To provide support services which assist students in achieving academic success and plan programs of study within their chosen degree curricula.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of student tutorials conducted by the Writing Center.	6,142	5,882	6,200	6,400
● Number of students participating in Campus Match program for incoming freshmen to quickly build a sense of community.	1,460	1,479	1,550	1,650
● Number of participants in Summer Bridge program for incoming freshmen to ease transition.	87	57	80	90
● Number of degree program course audits run by students and staff.	296,554	346,853	381,538	419,692
● Tests administered by the University testing services .	8,801	9,767	10,000	10,300

- ◆ Goal 3 - To provide students with excellent educational opportunities throughout the calendar year.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Summer sessions headcount students.	27,598	28,715	28,700	29,000
● Winter sessions course registrations.	2,139	2,732	3,000	3,300

ASA.1.14 SUBPROGRAM SUMMARY  
**UNIVERSITY LIBRARIES AND MUSEUMS**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To offer collections and services which promote a quality learning environment for undergraduate and graduate students, to support academic excellence for students and faculty, and to respond to institutional commitments.*

**Subprogram Description:**

The University Libraries are responsible for the acquisition, organization, preservation, and assistance in the retrieval and use of the informational, research, and media resources of the University Libraries and other libraries and research or resource collections. The University Libraries promotes to the extent possible the use of these resources and services by the University and the broader community which it serves. Further, the University Libraries supports, promotes, and provides leadership in research, professional development, and the sharing of information on local, state, national, and international levels. University museums provide cultural opportunities for those on campus and the entire community.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	16,996.0	17,890.1	19,487.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,183.0	1,237.7	1,298.3
Federal Funds	12.8	14.1	15.4
<b>Subprogram Total</b>	<b>18,191.8</b>	<b>19,141.9</b>	<b>20,801.6</b>
FTE Positions	265.7	265.6	266.1

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Library volumes housed (all libraries; in thousands).	3,093	3,248	3,328	3,408
● Periodical subscriptions.	27,786	27,758	27,000	27,000
● Items checked out (in thousands).	853	1,169	1,200	1,200
● Items used but not checked out (in thousands).	875	764	750	750
● Reference transactions.	140,300	162,273	170,000	170,000
● Online access sessions (in millions).	12.0	14.0	15.4	16.9

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Annual attendance at university art collections.	38,325	37,854	42,000	44,000
● Lecturers and special events.	262	278	300	325
● Academic programs served.	2	5	6	6

ASA.1.15 SUBPROGRAM SUMMARY  
**ACADEMIC COMPUTING**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To support the instructional, research, and service missions of the University community by providing appropriate computer technologies, support services, training, planning, and consultation.*

**Subprogram Description:**

The academic services provided by Information Technology (IT) include assistance in the development and effective use of technology to support the teaching and learning process, training and support for instructional uses of technology, coordination of centralized computing sites, and technology support for the ASU East Campus. Additional services include consultation and support for research and creative activities, including visualization, computer simulation and modeling, and support for instructional internet applications and services.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	11,975.2	11,578.8	12,612.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	535.3	560.0	587.5
Federal Funds	1,096.2	1,205.8	1,314.3
Subprogram Total	13,606.7	13,344.6	14,514.7
FTE Positions	167.0	170.7	172.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To employ, provide, and maintain sufficient reliable microcomputer, network, and server resources to support the academic needs of the University.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● E-mail computer accounts.	76,700	80,000	85,000	90,000
● Super/mainframe/computer server connected devices.	35,000	35,000	36,000	37,000

- ◆ Goal 2 - To improve access to University provided computer programs and Internet services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Centrally provided workstations (IT only).	1,100	1,100	1,350	1,400
● Percentage of classrooms with mediation.	70	75	85	90
● WWW server activity: total hits per day on asu.edu and public.asu.edu only (in thousands).	2,382	2,400	2,500	3,000

ASA.1.16 SUBPROGRAM SUMMARY  
**ADMIN. INFORMATION TECHNOLOGY/  
TELECOMMUNICATIONS**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To improve the quality and efficiency of University operations through the application of technology, and by maintaining and supporting the University's communication and technology infrastructure.*

**Subprogram Description:**

The administrative services provided by Information Technology include: assistance in the development and effective use of technology to support University distributed computing, client server applications, centralized decision management support systems (such as accounting, human resources, electronic messaging, and student information systems); support for University portal and e-commerce applications; consultation; and support for the University voice, data, and video networks. Additional services include technology assessment; recommending hardware and software standards; personal computer and client/server hardware support; planning and capacity management; distributed support to University departments; and support for internet applications and services.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,232.8	5,093.1	5,548.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	330.8	346.1	363.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	6,563.6	5,439.2	5,911.0
FTE Positions	66.8	67.1	67.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To maintain support for all administrative computing systems and ensure that staff have ready access to information.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Storage capacity of the Data Warehouse (in gigabytes).	240	250	375	450
● Users of Data Warehouse.	1,700	1,800	1,850	1,950
● Distributed file storage capacity (in terabytes).	5	8	12	20

- ◆ Goal 2 - To maintain support for all telecommunications systems throughout the University.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● State funded telephone lines.	17,733	17,900	18,000	18,100
● Centrally supported Ethernet connections.	24,500	30,200	32,200	34,200
● Internet bandwidth (mbps).	210	215	245	300

**ASA.1.17 SUBPROGRAM SUMMARY**  
**ACADEMIC AFFAIRS ADMINISTRATIVE SUPPORT**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To provide effective and efficient managerial and administrative support assisting the Executive Vice President and Provost with basic institutional decisions regarding instruction, research, and service, student affairs, research and strategic initiatives, and administrative services.*

**Subprogram Description:**

Academic Affairs Administrative Support includes the Office of the Executive Vice President and Provost of the University, Institutional Analysis and Data Administration, and Budget Planning and Management.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	21,480.5	22,071.8	24,043.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,864.0	1,950.2	2,045.7
Federal Funds	73.9	81.3	88.6
<b>Subprogram Total</b>	<b>23,418.4</b>	<b>24,103.3</b>	<b>26,177.3</b>
FTE Positions	59.5	60.2	61.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To improve undergraduate education.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average years taken by freshman students to complete a baccalaureate degree program.	4.80	4.72	4.72	4.72
● Percent of alumni who, three years after graduation, rate their overall undergraduate experience at ASU as excellent or good.	95	95	95	95
● Percent of undergraduate degree recipients participating in research related or capstone (case study) experience.	91	93	90	90
● Percent of graduating seniors who rate their overall university experience as "good"/"excellent".	94	94	94	95
● Percent of full-time undergraduate students enrolled per semester in 3 or more primary courses with ranked faculty.	72	73	73	73
● Number of Bachelors degrees granted.	6,590	6,765	6,800	6,800
● Percent positive response for Student Faculty Interaction (Learner-centered Education).	80	89	89	89

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average salary of all ranked faculty as a percentile of salaries at peer institutions.	20	18	17	50

**ASA.2 PROGRAM SUMMARY**  
**RESEARCH AND ECONOMIC AFFAIRS**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Program Mission:**

*To provide a breadth of research, including scholarship and creative activities, that serves the advancement of the disciplines, complements the educational mission of the University, and serves the University's urban and state community and society as a whole.*

**Program Description:**

The Research and Economic Affairs Program is comprised of three major groups of activities which promote research, scholarship, and creative activity, including research that is not associated with the college-based organized research centers, regulatory compliance efforts, and centralized research support functions. The Research Program serves the citizens of Arizona through the development, transfer, and application of new knowledge particularly beneficial to the State.

**This Program Contains the following Subprograms:**

- ▶ Research Activities
- ▶ Regulatory Compliance
- ▶ Research Area

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,694.0	2,858.6	2,926.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	17,732.1	18,552.0	19,460.1
Federal Funds	5,636.6	6,200.0	6,758.1
<b>Program Total</b>	<b>26,062.7</b>	<b>27,610.6</b>	<b>29,144.5</b>
FTE Positions	342.2	360.6	380.4

**ASA.2.1 SUBPROGRAM SUMMARY**  
**RESEARCH ACTIVITIES**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601



**Subprogram Mission:**

*To serve the citizens of Arizona through the development, application, and transfer of new knowledge especially beneficial to Arizona.*

**Subprogram Description:**

Research Activities include the Center for Environmental Studies and all university-sponsored research excluding state funds directly allocated to academic areas or organized research centers.

- ◆ Goal 1 - To be in compliance regarding the use of humans as research subjects, the care and use of animals in research and teaching, the use and disposal of radioactive materials and radiation producing equipment, and the use and disposal of hazardous materials.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Citations or other adverse claims (notifications).	1	0	0	0

ASA.2.3 SUBPROGRAM SUMMARY

**RESEARCH AREA**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To provide the managerial and administrative leadership to enable the University to fulfill its mission as a major research university, conducting both pure and applied research of benefit to Arizona and the nation.*

**Subprogram Description:**

The Research Area provides the infrastructure which the Vice President for Research and Economic Affairs requires to foster quality and excellence in all University research programs. Activities include dissemination of information concerning funding opportunities, assistance in proposal preparation, and grant and contract fiscal administration. This area also produces University research publications and is the liaison between the University and the external community.

Performance Measures	Funding and FTE Amounts: (\$ Thousands)			
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate	
General Funds	349.0	323.3	331.0	
Other Appropriated Funds	0.0	0.0	0.0	
Other Non Appropriated Fund	9,113.6	9,535.0	10,001.7	
Federal Funds	636.5	700.1	763.2	
<b>Subprogram Total</b>	<b>10,099.1</b>	<b>10,558.4</b>	<b>11,095.9</b>	
FTE Positions	105.0	111.2	117.8	

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To maintain and enhance the university's status as a major research institution.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Grant and contract proposals submitted.	1,346	1,533	1,600	1,650
● Grant and contract awards received.	1,139	1,169	1,225	1,275
● External dollars received for research and creative activity (in millions of dollars).	126	122	135	150
● Percent of faculty and academic professionals receiving extramural support for research and creative activity.	27	29	30	31

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	1,872.1	2,088.1	2,137.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	7,994.4	8,364.0	8,773.5
Federal Funds	5,000.1	5,499.9	5,994.9
<b>Subprogram Total</b>	<b>14,866.6</b>	<b>15,952.0</b>	<b>16,905.9</b>
FTE Positions	223.0	235.0	248.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number of externally supported organized research projects awarded to the university.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Externally supported organized research grant and contract proposals submitted.	1,003	1,188	1,230	1,270

ASA.2.2 SUBPROGRAM SUMMARY

**REGULATORY COMPLIANCE**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To promote the continued growth and development of research and creative activity at ASU by providing the basic support services that help ensure safe, humane, legal, and compliant research operations.*

**Subprogram Description:**

Regulatory Compliance is comprised of a variety of activities required by state and federal law and as a condition of applying for and receiving extramural funding in the form of grants and contracts. Major areas of activity include human subjects, radiation protection, hazardous materials, and animal care.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	472.9	447.2	457.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	624.1	653.0	684.9
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,097.0</b>	<b>1,100.2</b>	<b>1,142.7</b>
FTE Positions	14.3	14.4	14.6

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Undergraduate students supported by sponsored funds.	1,278	1,243	1,275	1,300
• Graduate students supported by sponsored funds.	1,504	1,779	1,800	1,850

ASA.3	<b>PROGRAM SUMMARY STUDENT AFFAIRS</b>
Contact: Joseph Matt, Executive Director	
Phone: (480) 965-2318	
A.R.S. § 15-1601	

**Program Mission:**

To develop programs and services that support the educational and career aspirations of ASU students and promote student success by offering an array of comprehensive educational experiences. These programs and services are based on human development theory and respond to the needs of a diverse and pluralistic population.

**Program Description:**

Student Affairs is comprised of a variety of units, including admissions, registration, and financial aid, as well as departments that contribute to students' emotional and physical well being. Additional efforts augment the intellectual, cultural, and social development of students beyond formal instruction. These include cultural events, intramural sports, student organizations, academic support services, career guidance and counseling, student health services, and administration at the vice presidential level.

**This Program Contains the following Subprograms:**

- ▶ Student Life, Health and Wellness
- ▶ Enrollment Services
- ▶ Student Affairs Administrative Support

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	17,659.3	18,655.7	19,097.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	54,386.6	68,830.9	73,965.8
Federal Funds	39,529.4	43,480.2	47,393.4
<b>Program Total</b>	<b>111,575.3</b>	<b>130,966.8</b>	<b>140,457.1</b>
<b>FTE Positions</b>	<b>708.1</b>	<b>721.0</b>	<b>741.1</b>

ASA.3.1	<b>SUBPROGRAM SUMMARY STUDENT LIFE, HEALTH AND WELLNESS</b>
Contact: Joseph Matt, Executive Director	
Phone: (480) 965-2318	
A.R.S. § 15-1601	

**Subprogram Mission:**

To offer a wide variety of services that support the quality of student life.

**Subprogram Description:**

Student Life and related units provide programs and services that ease students' transition to the university; involve them in campus life; and enhance their intellectual, psychological, and social development. Other units include Residential Life, Student Health, Student Development and the Memorial Union, the Student Recreation Center, Career Services, Counseling and Consultation, and Disability Resources for Students.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,373.8	8,647.6	8,852.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	21,675.4	22,677.5	23,787.7
Federal Funds	4,704.9	5,175.3	5,641.0
<b>Subprogram Total</b>	<b>35,754.1</b>	<b>36,500.4</b>	<b>38,281.3</b>
<b>FTE Positions</b>	<b>452.0</b>	<b>469.7</b>	<b>488.7</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To promote the emotional and physical well-being of students by providing quality medical health services at the Student Health Center.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Students receiving health care at the Student Health and Wellness Center.	53,800	55,801	57,500	59,225

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Registered campus clubs and organizations.	502	500	480	480
• 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.	52,500	56,900	58,600	60,350
• Career Services Web site visits (in thousands).	450.0	449.1	463.5	477.4
• Web resumes selected by employers.	23,000	N/A	24,200	24,200

- ◆ Goal 3 - To maintain ASU's top ranking of providing the best disabled student services in the nation.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Disabled students served.	1,692	1,996	2,025	2,050
• Hours of interpreting provided for the hearing impaired.	11,604	10,031	10,750	10,900

**ASA.3.2 SUBPROGRAM SUMMARY  
ENROLLMENT SERVICES**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To offer services in support of enrollment management, including admissions, registration, and student financial assistance.*

**Subprogram Description:**

Enrollment Services provides access to higher education by offering a variety of orientation and registration programs which inform students and their families about admissions requirements, availability of student financial assistance, new student orientations, and other specialized services.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,616.2	7,019.8	7,186.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	32,609.4	46,046.8	50,066.4
Federal Funds	34,740.3	38,212.3	41,651.4
<b>Subprogram Total</b>	<b>73,965.9</b>	<b>91,278.9</b>	<b>98,904.0</b>
FTE Positions	186.6	182.5	183.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To recruit and enroll academically eligible undergraduate students and ensure that they receive adequate orientation prior to entering ASU.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Undergraduate admissions applications.	38,700	40,152	40,200	40,200
● Undergraduates admitted.	25,980	26,280	26,300	26,300
● Students participating in orientation.	11,200	11,574	11,600	11,600
● Web registration transactions, all university (in thousands).	1,055	296	500	500
● Percent of entering students in the top 25 percent of their high school graduating class.	52	52	53	54
● Hits to ASU Interactive, all university (Registrar-related, e.g., address change, web transcripts, grades (in thousands).	N/A	2,561	5,000	5,000

- ◆ Goal 2 - To make student financial assistance readily available for eligible students based on need, merit, or other determining factors.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students receiving financial assistance.	30,121	27,186	27,458	27,732

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Dollar volume for all financial assistance programs (dollars in thousands).	278,567	308,678	311,765	314,882

**ASA.3.3 SUBPROGRAM SUMMARY  
STUDENT AFFAIRS ADMINISTRATIVE SUPPORT**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To provide student support programs and services that integrate educational opportunities and co-curricular activities to enhance students' total education.*

**Subprogram Description:**

Student Affairs Administrative Support provides the leadership, planning, management, and coordination of all student services. Committed to the assessment of initiatives, Student Affairs' units develop and implement programs that meet changing student needs and are critical to academic success.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,669.3	2,988.3	3,059.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	101.8	106.6	111.7
Federal Funds	84.2	92.6	101.0
<b>Subprogram Total</b>	<b>1,855.3</b>	<b>3,187.5</b>	<b>3,271.8</b>
FTE Positions	69.5	68.8	68.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide services which promote the development of student competencies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students assisted by the Learning Resources Center.	9,600	7,600	7,700	7,900

- ◆ Goal 2 - To improve the educational experiences of first-year students by increasing participation in the Freshman Year Experience.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students participating in the Freshman Year Experience (FYE).	2,400	2,500	2,700	2,900

**ASA.4 PROGRAM SUMMARY  
ADMINISTRATION AND FINANCE**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Program Mission:**

To provide timely, efficient, and effective support for the University's missions of instruction, research, and public service through a variety of business and financial services, human resources services, facilities management and safety services, and administrative support of effective management practices.

**Program Description:**

Administration and Finance includes central activities concerned with provision of essential support services for the entire university. Administration and Finance activities include fiscal operations, human resources programs and services, purchasing, stores, property management, property control, surplus property and recycling, risk management, environmental health and safety, security, printing, parking services, and the operation and maintenance of the physical plant.

**This Program Contains the following Subprograms:**

- ▶ Business/financial Services and Human Resources
- ▶ Plant and Safety Services
- ▶ Administrative Services Support

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	34,882.0	34,404.0	43,096.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	37,255.9	38,978.4	40,886.4
Federal Funds	103.1	113.5	123.7
<b>Program Total</b>	<b>72,241.0</b>	<b>73,495.9</b>	<b>84,106.4</b>
<b>FTE Positions</b>	<b>942.5</b>	<b>955.5</b>	<b>1,035.2</b>

ASA.4.1 SUBPROGRAM SUMMARY  
**BUSINESS/FINANCIAL SERVICES AND HUMAN RESOURCES**  
 Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

To support the University's missions of instruction, research, and public service by providing timely and accurate financial information and services; and, to serve the University community through the effective management of its administrative services, employees, and other constituencies through a program of comprehensive human resources programs and services.

**Subprogram Description:**

Business/Financial Services and Human Resources is comprised of a wide variety of central staff functions including purchasing, mail services, bookstore, stores and office supplies, office machine rental and repair, printing and copy centers, property control, real estate, campus card program, internal audit and management services, financial services, student aid disbursement, cashiering and accounts receivable services, learning and performance programs, leadership development, employee recognition, and human resources management.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	8,266.0	8,618.4	8,822.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	31,397.0	32,848.7	34,456.6
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>39,663.0</b>	<b>41,467.1</b>	<b>43,279.3</b>
<b>FTE Positions</b>	<b>243.9</b>	<b>269.3</b>	<b>275.4</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide efficient and effective administrative support to the university community while maintaining or enhancing the level of quality service in areas such as accounting.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Accounting line transactions processed (in thousands).	891	1,050	1,100	1,200
● Administration as a percent of total cost.	1.2	1.3	1.5	1.3

- ◆ Goal 2 - To provide efficient services to University customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of purchase requests processed within 5 working days.	89	84	90	90
● Elapsed days from travel claim receipt to payment.	4.0	3.0	3.0	3.0
● Average minutes waiting time to pay tuition during peak periods.	3	2	3	3

- ◆ Goal 3 - To provide comprehensive human resources services and programs to the university community in areas such as employment, compensation, classification, benefits, training, management development, payroll, employee relations, and other human resources activities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Participants in human resources training programs.	5,965	5,385	5,493	5,603
● Job applications processed.	31,130	17,202	19,000	22,000

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Positions filled.	1,555	686	1,000	1,500
● Percent of agency staff turnover (classified staff only).	16.1	13.9	14.0	15.0
● Average salaries of classified staff as a percentage of relevant salaries in the Maricopa County public/private sectors.	94	88	100	100

- ◆ Goal 2 - To plan and provide in a courteous and friendly manner, a safe campus environment for faculty, staff, students, and visitors to the university.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Fire and safety training classes.	170	365	370	400
● Community-based police assignments.	47	60	60	60
● ParkSmart (telephone) parking registration for students.	50,883	52,200	55,600	55,600

ASA.4.2                      SUBPROGRAM SUMMARY  
**PLANT AND SAFETY SERVICES**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

ASA.4.3                      SUBPROGRAM SUMMARY  
**ADMINISTRATIVE SERVICES SUPPORT**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Adm.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To provide customer focused, high quality facilities and services to support the mission of the University.*

**Subprogram Description:**

Facilities Management, Risk Management and the Department of Public Safety provide the following support services: building maintenance, building and infrastructure engineering, custodial services, grounds construction and maintenance, campus planning, facilities planning and construction, police and security services, risk management, environmental health and safety, fleet services, and parking and transit services.

**Subprogram Mission:**

*To provide effective executive management services for support of the University's mission to teach, create new knowledge, and provide public service.*

**Subprogram Description:**

This subprogram consists of the Office of the Executive Vice President for Administration and Finance.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	25,503.7	25,089.3	33,560.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	5,755.8	6,021.9	6,316.7
Federal Funds	103.1	113.5	123.7
Subprogram Total	31,362.6	31,224.7	40,001.2
FTE Positions	684.1	676.6	750.1

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,112.3	696.3	712.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	103.1	107.8	113.1
Federal Funds	0.0	0.0	0.0
Subprogram Total	1,215.4	804.1	825.9
FTE Positions	14.4	9.6	9.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide customers-focused, high quality facilities and services to support the University's mission.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Land surface owned and operated by the University Main Campus (in acres).	729	729	729	729
● State supported University building space within campus boundaries (gross square feet in thousands).	6,022	6,424	6,373	6,725
● Maintenance work order man-hours on buildings/tunnels/structures.	205,098	196,508	212,000	212,000

- ◆ Goal 1 - To improve customer satisfaction with services provided to the University community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction surveys conducted.	12	18	18	18
● Hours to follow-up on customer complaints.	48	48	48	48

ASA.5                      PROGRAM SUMMARY  
**INSTITUTIONAL LEADERSHIP AND ADVANCEMENT**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Program Mission:**

*To provide overall direction and management for Arizona State University in*

*fulfilling its mission of providing outstanding programs of instruction, research, public service and economic development; to further an awareness of and appreciation for Arizona State University by building and strengthening relationships with diverse constituencies and oversight of the University's intercollegiate athletic program.*

**Program Description:**

Institutional Leadership and Advancement consists of the Office of the President, which provides central executive level direction and management for the University, and other units that provide university-wide services and programs. The Office of the Vice President for Public Affairs serves the multiple campuses of the University. Its programs are designed to enhance ASU's reputation and promote its role as an economic engine for the state of Arizona. Its programs also strengthen the University by building relationships with diverse constituencies, including minority communities, to promote common values and goals as well as to develop approaches to common challenges.

**This Program Contains the following Subprograms:**

- ▶ **KAET - Television**
- ▶ **Development**
- ▶ **Community Outreach**
- ▶ **Intercollegiate Athletics**
- ▶ **Executive Management**
- ▶ **Public Affairs**

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	10,902.5	11,254.9	11,521.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	53,565.7	56,042.2	58,785.5
Federal Funds	422.3	464.5	506.3
<b>Program Total</b>	<b>64,890.5</b>	<b>67,761.6</b>	<b>70,813.4</b>
FTE Positions	578.9	595.6	620.7

**Subprogram Mission:**

*To serve the people of Arizona through the development and operation of public telecommunications systems and services for instructional, educational, informational, and cultural purposes.*

**Subprogram Description:**

KAET is a public television station licensed through the Arizona Board of Regents and operated on the campus of Arizona State University. The station provides quality educational and informative programs enriching the lives of viewers and serving all communities in Central and Northern Arizona.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,470.5	1,152.7	1,180.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	7,863.9	8,227.5	8,630.2
Federal Funds	342.1	376.3	410.1
<b>Subprogram Total</b>	<b>9,676.5</b>	<b>9,756.5</b>	<b>10,220.3</b>
FTE Positions	97.8	97.1	101.6

**Subprogram Goals and Performance Measures:**

- ◆ **Goal 1 - To increase the number of persons viewing KAET-TV on a weekly basis.**

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Persons viewing KAET-TV on a weekly basis (in thousands).	2,550	2,790	2,860	2,932

- ◆ **Goal 2 - To improve services provided to the community, especially in rural areas.**

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Teachers served through educational support programming.	14,586	21,285	21,500	21,750
● Students served through educational support programming.	286,710	390,963	430,000	475,000

ASA.5.1      **SUBPROGRAM SUMMARY**  
                   **KAET - TELEVISION**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

ASA.5.2      **SUBPROGRAM SUMMARY**  
                   **DEVELOPMENT**

Contact: Joseph Matt, Executive Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Subprogram Mission:**

To provide effective and efficient support for the University's mission of instruction, research, and public service through developing and maintaining strong partnerships with alumni, community leaders, and state decision makers.

**Subprogram Description:**

Development includes Alumni, Development, and Economic Development. ASU integrates its economic development activities and strengths into larger community wide efforts to help metropolitan Phoenix and other Arizona communities become economically more competitive.

**Subprogram Mission:**

To offer services that provide and promote community contact in the areas of quality cultural and popular sports programs, and economic development.

**Subprogram Description:**

Community Outreach provides opportunities for the community to network with the University on various projects related to the arts and nonathletic events. Special emphasis is given to cultural diversity programming which is designed to present specific performances targeting underserved and culturally specific groups.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	1,621.3	1,508.8	1,544.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	9,204.7	9,630.2	10,101.7
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>10,826.0</b>	<b>11,139.0</b>	<b>11,646.3</b>
<b>FTE Positions</b>	<b>74.9</b>	<b>77.9</b>	<b>81.1</b>

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	1,714.2	1,628.1	1,666.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	7,476.0	7,821.7	8,204.5
Federal Funds	80.2	88.2	96.2
<b>Subprogram Total</b>	<b>9,270.4</b>	<b>9,538.0</b>	<b>9,967.4</b>
<b>FTE Positions</b>	<b>92.6</b>	<b>88.1</b>	<b>91.5</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number of ASU Alumni Association members and maintain the level of telephone solicitations for monetary contributions to the University.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Dues paying Alumni Association members.	14,630	13,400	14,800	17,000

- ◆ Goal 2 - To continuously build and improve ASU's economic development efforts.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Collaborative partnerships and alliances with regional organizations.	22	25	27	28

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To continue to stage excellent non-athletic events for various diverse constituents.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Persons attending University sponsored cultural events (in thousands).	580	602	646	666

ASA.5.4 SUBPROGRAM SUMMARY  
**INTERCOLLEGIATE ATHLETICS**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

ASA.5.3 SUBPROGRAM SUMMARY  
**COMMUNITY OUTREACH**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To represent the University by fielding athletic teams that seek to achieve excellence in national and international competition while promoting the well being of the student-athlete, who is first and foremost a student.*

**Subprogram Description:**

Arizona State University considers intercollegiate athletics to be an integral part of the University and strives to achieve the same standards of excellence in its athletics program as exist within its teaching, research, and public service programs. This commitment to excellence in athletics is conducted in the context of a philosophical commitment to certain values, in particular the welfare and academic progress of the individual student-athlete, the principle of institutional control of athletic programs, and complete adherence to established NCAA and PAC-10 rules and regulations.

**Subprogram Mission:**

*To provide overall direction and management for Arizona State University in fulfilling its mission of providing outstanding programs of instruction, research, public service, and economic development.*

**Subprogram Description:**

Executive Management includes central executive level activities concerned with overall long range planning for the University, administrative support for the entire University community, and University-wide fund raising activities. The Executive Management area includes the Office of the President, the Office of the General Counsel, the Affirmative Action Office, and the Office of University Initiatives.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,154.8	2,133.3	2,183.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	26,814.0	28,053.7	29,426.9
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>28,968.8</b>	<b>30,187.0</b>	<b>31,610.8</b>
FTE Positions	239.9	251.8	264.5

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,041.8	3,629.9	3,715.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,817.1	1,901.1	1,994.2
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>4,858.9</b>	<b>5,531.0</b>	<b>5,710.0</b>
FTE Positions	50.6	56.7	57.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve graduation rates of student athletes.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of student athletes graduating in six years.	54	65	58	55

- ◆ Goal 2 - 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Average GPA of student athletes (4.0 highest).	2.79	2.79	2.80	2.80

- ◆ Goal 1 - To provide leadership in establishing strategic directions for the University.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of campus strategic plans completed by required date.	100	100	100	100

ASA.5.5 SUBPROGRAM SUMMARY  
**EXECUTIVE MANAGEMENT**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

ASA.5.6 SUBPROGRAM SUMMARY  
**PUBLIC AFFAIRS**

Contact: Joseph Matt, Executive Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601



**Subprogram Mission:**

*To provide effective and efficient support for the University's missions of academic affairs, research, and public service through executive management, and to maintain and develop strong partnerships with alumni, community leaders and state decision makers.*

**Subprogram Description:**

The Office of Public Affairs furthers awareness of and appreciation for ASU by communicating with diverse constituencies, building and strengthening relationships, and encouraging participation in and support of university programs and initiatives.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	899.9	1,202.1	1,230.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	390.0	408.0	428.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,289.9</b>	<b>1,610.1</b>	<b>1,658.6</b>
<b>FTE Positions</b>	<b>23.1</b>	<b>24.1</b>	<b>24.3</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To obtain private and corporate funds to provide the margin of excellence for the University in the 21st Century.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Endowed chairs and professorships.	103	103	108	113

- ◆ Goal 2 - To continue to coordinate high quality special events for the University.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Individuals attending campus sneaker/special tours.	677	2,235	3,063	3,590
● Special events coordinated.	250	144	161	186



**AGENCY SUMMARY**  
**ARIZONA STATE UNIVERSITY - WEST CAMPUS**

Dr. Michael Crow, President AWA  
Contact: Joseph Matt, Exec. Director,  
Institutional Analysis/Data Admin.  
A.S.R. § 15-1601

**Agency Mission:**

To offer liberal arts and professional programs, engage in discovering and advancing knowledge, and teach diverse students in a student-centered, interdisciplinary learning environment as a community-focused metropolitan campus of Arizona State University.

**Agency Description:**

ASU West, a community-focused metropolitan campus of Arizona State University located in Phoenix, serves the community and more than 7,000 residential and commuter students of diverse ages, ethnicity, and experience through 29 baccalaureate programs, nine master's programs, and eight certificate programs. ASU West focuses on developing a learning community that addresses the needs of a diverse metropolitan environment. ASU West 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.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ACADEMIC AFFAIRS	38,232.0	37,530.9	51,320.6
➤ STUDENT AFFAIRS	7,194.7	9,586.5	9,884.9
➤ ADMINISTRATIVE SERVICES	11,106.1	11,006.2	12,156.2
➤ PUBLIC AFFAIRS	1,417.8	1,431.5	1,464.2
Agency Total	57,950.6	59,555.1	74,825.9

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	36,116.5	36,116.5	45,427.9
Other Appropriated Funds	8,031.3	8,239.6	13,536.5
Other Non-Appropriated Fund	11,822.7	13,021.1	13,465.6
Federal Funds	1,980.1	2,177.9	2,395.9
Agency Operating Funds Total	57,950.6	59,555.1	74,825.9
FTE Positions	751.5	815.6	922.5

**Strategic Issues****Strategic Issue Number: 1**

*How can ASU West improve the quality of its undergraduate and graduate educational experience*

Undergraduate and graduate education are the cornerstones of the university enterprise. Students seek to obtain 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 communications, team building, and critical thinking skills as well as a global perspective to be successful. A renewed emphasis on providing a

quality educational experience requires some changes in how ASU West designs 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 use of technology to enhance the classroom experience, through individualized undergraduate education, and by providing an environment that fosters student scholarship. ASU West looks to expand the depth and breadth of its general education offerings, add new degree programs, build out existing programs, and expand support programs like advising, and career counseling. There is concern at ASU West that enrollment growth has outstripped our resource base, which in turn, has hampered our ability to build out our academic program portfolio.

**Strategic Issue Number: 2**

*How can ASU West provide access to education for a growing student population given limited financial resources*

To broaden access to a quality education for all segments of the population, ASU West in partnership with the other anchor campuses of 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. Rising costs, low levels of financial aid, and diminished state general fund support for higher education place the idea of broad access at risk. For example, Arizona ranks 45th nationally in the relative amount of state financial aid awarded to undergraduates. Yet, never before 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. ASU West will continue the process of building a complementary set of academic and support programs that address issues of access for Arizona students and thereby narrow the differences in opportunity for ethnic groups and social and economic classes. The construction of the first residential facilities will be especially helpful in this regard. ASU West will continue to employ targeted recruitment, and expand both its bridge programs and its 2+2+2 programs with high schools and community colleges.

**Strategic Issue Number: 3**

*How can ASU West recruit and retain faculty and staff in highly competitive national and local markets during a period of economic downturn and diminishing resources*

Quality faculty form the life-blood of 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 West, the difficulty in hiring and retaining key faculty is escalating with each passing year. While other states have recognized the need to retain intellectual capital during times of affluence (the '90s) as well as times of diminishing resources, and have acted accordingly, Arizona has not. As a result, the universities continue to fall further behind. ASU West's success in its many endeavors depends on the abilities of the individuals that comprise its workforce. ASU West is committed to hiring outstanding faculty, staff and administrators who represent a diversity of people and ideas, and to providing them with the support they need to create and sustain quality programs. ASU West supports and nurtures its faculty and staff as they provide the creative energy through a balance of teaching, research and service that allows the campus to demonstrate leadership in meeting its commitment to address the needs of an increasingly diverse metropolitan area. ASU West must continue to maintain an attractive climate and congenial work environment by providing competitive compensation packages to employees.

**Strategic Issue Number: 4**

*How can ASU West enhance and improve its social embeddedness*

Development of ASU requires ASU West to be a fully engaged and integral part of the social and cultural fabric of the metropolitan area and the state of Arizona. ASU West 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 West 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. As part of ASU's urban mission, ASU West is allied with the business and professional community, not-for-profit organizations, government agencies and the P-12 educational system in an effort to promote the vitality of an increasingly diverse metropolitan region by providing exceptional educational opportunities, investigating important community-based issues, and integrating with the community through service. Recognized for its efforts Arizona State University West got top marks in the American Association of State Colleges and Universities' national survey of partnerships between higher education institutions and the publics they serve. ASU West will build on its success to increase its communication with external constituencies about its programs and accomplishments in ways that engage their support to develop innovative partnerships that will benefit both students and the community. The community must come to see ASU West as a key resource and place to get advice about community issues and solutions to community problems. Greater economic opportunity, coupled with expertise available from ASU West can enhance the multicultural strengths of Phoenix and Arizona. With greater economic vitality comes the opportunity to reinvest in the artistic and cultural elements of the community.

**Strategic Issue Number: 5**

*How can ASU West, as part of ASU, serve as a comprehensive provider of undergraduate and graduate education in a large metropolitan area, while contributing to ASU's nationally competitive research capacity and economic diversity in the Valley*

While providing access to a quality higher education for the citizens of Arizona is a primary responsibility of ASU West, it is also well recognized that there are no large cities that have obtained economic and cultural greatness in the absence of a great research university. Such universities have been and always will be the magnet for the intellectual capital required to build the economic and cultural base of a great city. As part of ASU, the fifth largest university in the nation when measured in terms of enrollment, ASU West must plan its research agenda with great care and great focus in order to carve out an affordable niche and to ensure a substantial return on investment while serving growing enrollments. ASU West serves a diverse community through its scholarly efforts by generating a new and better understanding of the social, physical and philosophical systems that define the world. ASU West needs to expand its research portfolio in a focused way to complement the research activity at the other campuses of ASU, to serve as a magnet for social issues, to embody a sense of social engagement with the community, and to include an opportunity for interdisciplinary collaboration on issues that promote the development of healthy communities.

**Strategic Issue Number: 6**

*How can ASU West ensure the necessary facilities and capacity to accommodate growth*

All three campuses of ASU currently operate under a teaching and research space shortage, as documented in a 1998 Board of Regents study. In particular, ASU West operates with library and research deficiencies, and a critical need to identify additional teaching space. Compounding these existing shortages is ASU West's continuing growth, both in enrollment demand and research and service responsibilities. The provision of improved and available learning environments featuring classrooms and laboratories that facilitate learner-centered delivery modes is contingent on a program of improved utilization policies with room upgrades that incorporate new instructional technologies and flexible room formats. Technology and room flexibility can in itself permit improved room utilization. The lack of funds to open and operate new buildings and to maintain and upgrade existing buildings has instead resulted in a deterioration of space. In order to be successful, there is a need to ensure that the appropriate infrastructure is in place to support both existing and new initiatives in academic programs, research and services. Specifically at ASU West, space is currently needed for the sciences and to support enrollment growth. Critical to this need is investigating innovative ways to use our existing space and to find funding sources for new space.

**AWA.1 PROGRAM SUMMARY  
ACADEMIC AFFAIRS**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Program Mission:**

*To provide instruction, research, and service activities that prepare graduates for personal growth, fulfilling careers, and lifelong contributions to the quality of life in greater Phoenix, the surrounding region, and the nation.*

**Program Description:**

Academic Affairs includes activities carried out during the academic year, summer sessions, and other periods associated with degree credit and non-credit academic courses. Academic Affairs includes six different academic and academic support units: College of Arts and Sciences, College of Education, College of Human Services, School of Management, Library, and Academic Affairs Administrative Support.

**This Program Contains the following Subprograms:**

- ▶ College of Arts and Sciences
- ▶ College of Education
- ▶ College of Human Services
- ▶ School of Management
- ▶ Library
- ▶ Academic Affairs Administrative Support

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	22,346.8	22,124.6	30,236.7
Other Appropriated Funds	8,031.3	8,239.6	13,536.5
Other Non-Appropriated Fund	6,332.9	5,493.8	5,707.0
Federal Funds	1,521.0	1,672.9	1,840.4
<b>Program Total</b>	<b>38,232.0</b>	<b>37,530.9</b>	<b>51,320.6</b>
FTE Positions	513.7	559.0	653.9

**AWA.1.1 SUBPROGRAM SUMMARY  
COLLEGE OF ARTS AND SCIENCES**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

To offer academic programs that prepare students to take their place as active participants in a rapidly changing social, political, and natural environment. These programs seek to provide students with: the skills necessary for independent thinking and effective expression; an understanding and appreciation of diverse cultures both past and present; a sensitivity to the aesthetic dimensions of human endeavor and the natural environment; and an appreciation and understanding of scientific perspectives and methods as tools for understanding nature and society.

**Subprogram Description:**

The College of Arts and Sciences is organized into six interdisciplinary programs: American Studies, Integrative Studies, Interdisciplinary Arts and Performance, Life Sciences, Social and Behavioral Sciences, and Women's Studies. The faculties of each of these programs contribute both interdisciplinary and disciplinary courses to the general education and major programs of all ASU West students.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	5,605.9	4,192.3	6,894.5
Other Appropriated Funds	2,175.7	2,265.8	4,073.1
Other Non Appropriated Fund	2,980.4	2,585.8	2,686.1
Federal Funds	157.7	173.5	190.8
<b>Subprogram Total</b>	<b>10,919.7</b>	<b>9,217.4</b>	<b>13,844.5</b>
FTE Positions	148.0	161.2	196.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number of students enrolled in undergraduate programs designed for learning and increasing the student's ability to apply new knowledge and critical and artistic perspectives in their careers.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Undergraduate student headcount.	1,597	1,995	2,275	2,435
● Undergraduate minority students enrolled.	425	547	575	600
● Undergraduate students in University-College center courses.	656	422	400	400

- ◆ Goal 2 - To increase the number of students enrolled in graduate programs that provide students with knowledge, skills, and technical competencies for citizenship, leadership, and successful careers in the community.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Graduate student headcount.	108	129	100	105
● Graduate minority students enrolled.	15	31	30	30

AWA.1.2 SUBPROGRAM SUMMARY  
**COLLEGE OF EDUCATION**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.

Phone: (480) 965-2318

A.R.S. § 15-1601

**Subprogram Mission:**

To prepare highly qualified educators and promote the improvement of professional education within our community and state by providing a continuum of research-based programs and services to pre-service educators, in-service educators, and other educational decision-makers and leaders.

**Subprogram Description:**

Working through partnerships with West-side school districts and other constituencies, the College of Education engages in a variety of recruitment, preparation, and retention initiatives to develop highly qualified educators who serve K-12 students. The college offers programs that emphasize practical applications based on the latest research and proven practices. Undergraduate programs lead to initial certification of elementary, secondary, and special education teachers. Graduate programs lead to master's degrees in educational administration, elementary education, secondary education, and special education.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	3,501.5	2,651.4	4,358.5
Other Appropriated Funds	1,359.0	1,433.0	2,574.8
Other Non Appropriated Fund	691.7	599.9	623.1
Federal Funds	815.1	896.5	986.3
<b>Subprogram Total</b>	<b>6,367.3</b>	<b>5,580.8</b>	<b>8,542.7</b>
FTE Positions	91.1	95.2	116.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number of students enrolled in undergraduate programs.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Undergraduate student headcount.	911	1,005	1,100	1,180
● Undergraduate minority students enrolled.	210	226	226	230

- ◆ Goal 2 - To increase the number of students enrolled in graduate programs.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Graduate student headcount.	783	751	800	850
● Graduate minority students enrolled.	94	105	105	110

AWA.1.3 SUBPROGRAM SUMMARY  
**COLLEGE OF HUMAN SERVICES**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.

Phone: (480) 965-2318

A.R.S. § 15-1601

**Subprogram Mission:**

To provide undergraduate and graduate education that promotes community development guided by principles and values of diversity, self-determination, and respect for personal and collective well-being while contributing to the development of leadership and careers that promote human and social welfare.

**Subprogram Description:**

The College of Human Services offers undergraduate programs that emphasize the integration of a comprehensive set of skills and knowledge in several areas: Communication Studies, Criminal Justice and Criminology, Recreation and Tourism Management, Social Work, Gerontology (a University-wide post baccalaureate/certificate program), and a hosted ASU Main Nursing program. The College of Human Services offers graduate programs in Communication Studies, Criminal Justice, and Social Work.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,509.4	2,594.1	4,267.5
Other Appropriated Funds	1,362.0	1,402.1	2,521.1
Other Non Appropriated Fund	1,036.1	898.9	933.9
Federal Funds	502.7	553.0	608.4
Subprogram Total	6,410.2	5,448.1	8,330.9
FTE Positions	96.8	98.8	120.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number of students enrolled in undergraduate programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Undergraduate student headcount.	792	914	1,000	1,070
● Undergraduate minority students enrolled.	230	269	269	275

- ◆ Goal 2 - To increase the number of students enrolled in graduate programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Graduate student headcount.	199	253	275	295
● Graduate minority students enrolled.	40	64	64	70

AWA.1.4 SUBPROGRAM SUMMARY  
**SCHOOL OF MANAGEMENT**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.

Phone: (480) 965-2318

A.R.S. § 15-1601

**Subprogram Mission:**

To foster the economic vitality of Maricopa County and its citizens and to advance the practice of management in the context of a global economy where change is constant and far-reaching.

**Subprogram Description:**

The School of Management offers a Masters of Business Administration program for working professionals; an undergraduate program that emphasizes the integration of a comprehensive set of management skills and knowledge; and an accounting program for undergraduate majors, post-baccalaureate students, and working professionals.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,954.2	2,846.8	4,684.6
Other Appropriated Funds	1,534.6	1,538.7	2,767.5
Other Non Appropriated Fund	1,550.5	1,345.0	1,397.2
Federal Funds	45.5	49.9	54.9
Subprogram Total	7,084.8	5,780.4	8,904.2
FTE Positions	72.6	75.0	91.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number of students enrolled in undergraduate programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Undergraduate student headcount.	926	1,121	1,300	1,375
● Undergraduate minority students enrolled.	261	328	329	330

- ◆ Goal 2 - To increase the number of students enrolled in the M.B.A. program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Graduate student headcount.	488	462	450	500
● Graduate minority students enrolled.	63	54	55	60

AWA.1.5 SUBPROGRAM SUMMARY  
**LIBRARY**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.

Phone: (480) 965-2318

A.R.S. § 15-1601

**Subprogram Mission:**

To support learning through information by being a center of information for those who learn, those who teach, and those who create.

**Subprogram Description:**

The ASU West Library supports the information needs of ASU West students and faculty by providing information resources on site and access to other sources of information; providing services that enable users to define their information needs and identify, obtain, evaluate, synthesize and apply information relevant to their needs; and partnering with faculty and academic support services to educate students.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,457.9	3,713.3	3,769.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	31.0	26.8	27.9
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>3,488.9</b>	<b>3,740.1</b>	<b>3,797.4</b>
FTE Positions	51.3	51.3	51.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To develop a cohesive and integrated tiered reference/research support service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Library volumes.	338,000	325,000	332,000	338,000
● Library volumes purchased.	11,000	7,300	6,700	6,500
● Serial subscriptions.	3,300	2,700	2,700	2,600
● Electronic subscriptions.	2,500	4,200	4,300	4,300
● Microforms (in thousands).	1,414	1,486	1,500	1,515
● Items loaned.	19,500	19,500	19,000	19,000
● Items borrowed.	8,900	10,000	10,000	10,000
● Items checked out.	110,000	127,300	125,000	122,000
● Pages printed from electronic resources (in thousands).	2,500	1,024	1,030	1,040
● Library home page hits (in thousands).	750	678	688	698

**Subprogram Mission:**

To provide an institutional structure that promotes the offering of services and programs to students, faculty, and staff in support of the instructional, research, and service mission of ASU West.

**Subprogram Description:**

Academic Affairs Administrative Support serves the instructional, research, and service activities of the campus. Specific activities include curriculum development and documentation, facilitating assessment of curricula, budgeting, institutional planning and research, faculty development in areas related to research and teaching, promoting faculty linkages to external funding, providing research opportunities for students, encouraging collaborative models of instruction, and administering campus-based internal grants.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,317.9	6,126.7	6,262.1
Other Appropriated Funds	1,600.0	1,600.0	1,600.0
Other Non Appropriated Fund	43.2	37.4	38.8
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>3,961.1</b>	<b>7,764.1</b>	<b>7,900.9</b>
FTE Positions	54.0	77.5	77.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide a variety of research related opportunities for both faculty and students so that they can improve their teaching and research activity skills.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Externally funded research awards (in thousands of dollars).	2,282	2,160	2,203	2,247
● Students graduating with research-related courses.	1,190	1,259	1,300	1,325
● Percent of undergraduate students participating in internships and field experiences.	48	44	49	50
● Percent of undergraduate students with a research related or capstone experience.	94	94	94	94
● Percent of graduating seniors who rate their overall university experience as "good/excellent".	96	97	98	98
● Percent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty.	76	72	71	71
● Number of degrees granted.	1,523	1,615	1,700	1,785
● Number of Bachelors degrees granted.	1,264	1,316	1,380	1,450
● Number of Masters degrees granted.	259	299	320	335
● Fall semester enrollment (full-time equivalent -FTE).	4,387	5,053	5,550	5,800

AWA.1.6 SUBPROGRAM SUMMARY  
**ACADEMIC AFFAIRS ADMINISTRATIVE SUPPORT**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.

Phone: (480) 965-2318

A.R.S. § 15-1601

**AWA.2 PROGRAM SUMMARY  
STUDENT AFFAIRS**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Program Mission:**

*To assess and respond to the enrollment, support, and development needs of students.*

**Program Description:**

Student Affairs offers comprehensive services for enrollment support and student development.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,679.1	2,797.5	2,862.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	4,056.5	6,284.0	6,467.2
Federal Funds	459.1	505.0	555.5
<b>Program Total</b>	<b>7,194.7</b>	<b>9,586.5</b>	<b>9,884.9</b>
<b>FTE Positions</b>	<b>63.2</b>	<b>66.1</b>	<b>66.6</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To recruit and enroll academically eligible undergraduate students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• First-time undergraduate admissions applications.	2,332	2,706	3,400	3,480
• First-time undergraduate students admitted.	1,704	2,059	2,450	2,500
• First-time undergraduate students enrolled.	1,201	1,380	1,610	1,650

- ◆ Goal 2 - To make student financial assistance readily available for need-based and other targeted populations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Scholarships (in thousands of dollars).	1,487	1,531	1,577	1,600
• Grants (in thousands of dollars).	4,929	5,077	5,230	5,400
• Loans (in thousands of dollars).	18,172	18,717	19,279	19,500
• Employment (in thousands of dollars).	1,570	1,618	1,666	1,700

- ◆ Goal 3 - To retain students and help them graduate.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of first-time, full-time, degree-seeking undergraduate students persisting after one year.	83	86	87	87

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of first-time, full-time, upper-division, degree-seeking undergraduate students graduating in four years.	76	74	75	75
• Undergraduate students who graduate annually.	1,264	1,316	1,380	1,450
• Graduate students who graduate annually.	258	299	320	335

**AWA.3 PROGRAM SUMMARY  
ADMINISTRATIVE SERVICES**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Program 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.*

**Program Description:**

Administrative Services provides support services in six areas: information technology, facilities development and management, public safety, financial accounting and support services, human resource management services, and auxiliary service operations.

**This Program Contains the following Subprograms:**

- ▶ Business/financial Services and Human Resources
- ▶ Plant and Safety Services
- ▶ Information Technology
- ▶ Administrative Services Support

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,739.1	9,820.3	10,924.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	1,367.0	1,185.9	1,231.9
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>11,106.1</b>	<b>11,006.2</b>	<b>12,156.2</b>
<b>FTE Positions</b>	<b>153.9</b>	<b>169.9</b>	<b>181.3</b>

**AWA.3.1 SUBPROGRAM SUMMARY  
BUSINESS/FINANCIAL SERVICES AND HUMAN RESOURCES**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

To provide coordinated, customer-focused, cost-effective, and innovative services in the areas of financial and human resource services.

**Subprogram Description:**

Financial management and human resource management provide support services, including human resource functions (e.g., employment, benefits, payroll, records, compensation, and classification) and business functions (e.g., accounting services, procurement, property control, special events, scheduling, parking administration, mail, copy, fleet, and contracted services).

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,577.6	1,756.7	1,794.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,252.8	1,086.8	1,128.9
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,830.4</b>	<b>2,843.5</b>	<b>2,923.5</b>
FTE Positions	40.2	42.1	42.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide the campus community with administrative services that foster a responsive, friendly service orientation.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● State operating budget departments.	108	132	118	120
● Active accounts.	615	587	521	530
● Administration as a percent of total cost.	4.6	4.4	4.2	3.6

- ◆ Goal 2 - To provide comprehensive human resource services to the campus community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Participants in human resource training.	537	320	380	390
● Job applications processed.	1,915	2,657	2,860	2,930
● Positions filled.	260	137	180	180
● Percent of agency staff turnover (classified staff only).	17.0	15.0	14.8	14.7

**Subprogram Mission:**

To provide for the planning, construction, and management of facilities and to provide a safe and secure environment where teaching and learning can take place.

**Subprogram Description:**

Facilities Development and Management maintains the physical and environmental appearance of the campus. The Department of Public Safety provides police and public safety services.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,584.2	5,324.0	6,336.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	75.9	65.9	68.4
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>4,660.1</b>	<b>5,389.9</b>	<b>6,404.9</b>
FTE Positions	74.5	85.5	96.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide a safe environment for students, staff, faculty, and visitors to ASU West.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Crime reports.	110	102	140	170
● Moving vehicle citations.	275	282	315	350
● Citizen assists.	6,000	5,600	6,000	6,250

AWA.3.3 SUBPROGRAM SUMMARY  
**INFORMATION TECHNOLOGY**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

To facilitate and promote the use of informational and instructional technology for student development, faculty and curricular support, and effective business processes.

**Subprogram Description:**

Information Technology is the central ASU West support organization for academic and administrative computing, including media, voice, video, and data communication.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,978.7	2,280.2	2,327.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,978.7</b>	<b>2,280.2</b>	<b>2,327.9</b>
FTE Positions	35.6	38.6	38.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve technology equipment access, training, and

AWA.3.2 SUBPROGRAM SUMMARY  
**PLANT AND SAFETY SERVICES**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601



support for faculty, staff, and students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Ethernet connections available for students.	650	702	1,400	1,470
• Computer workstations available for student use.	523	525	611	651
• Percent of employees satisfied with in office computer setup, consulting, and problem resolution.	80	89	90	90
• Percent of employees satisfied with computer training & education services.	85	85	88	88
• Number of smart presentation classrooms.	42	43	60	60

**AWA.3.4 SUBPROGRAM SUMMARY  
ADMINISTRATIVE SERVICES SUPPORT**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Subprogram Mission:**

*To support and facilitate the implementation of administrative services that are responsive, efficient, and productive in support of the campus mission of teaching, research, and public service.*

**Subprogram Description:**

Administrative services support guides campus efforts to respond to academic needs through the implementation of continuous improvement initiatives among all campus administrative services.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	598.6	459.4	465.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	38.3	33.2	34.6
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>636.9</b>	<b>492.6</b>	<b>499.9</b>
FTE Positions	3.5	3.5	3.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve support for students, faculty, and staff and the mission of the campus.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of users satisfied with services.	90	90	90	90

**AWA.4 PROGRAM SUMMARY  
PUBLIC AFFAIRS**

Contact: Joseph Matt, Exec. Director, Institutional Analysis/Data Admin.  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Program Mission:**

*To build support for ASU West by developing long-term relationships with alumni, donors, elected officials, community leaders, the media, and communities at large, while demonstrating the highest ethical and professional standards.*

**Program Description:**

Institutional Advancement is responsible for connecting the ASU West campus with its constituencies and promoting and enhancing the campus image to internal (students, faculty and staff) and external (community) publics. Institutional Advancement manages donor outreach, special events, public relations and marketing campaigns, campus publications, and fund development to support campus scholarships and scholarly endeavors.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,351.5	1,374.1	1,404.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	66.3	57.4	59.5
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,417.8</b>	<b>1,431.5</b>	<b>1,464.2</b>
FTE Positions	20.7	20.7	20.7

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To increase awareness about ASU West through local, national, and broadcast outlets.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Media placements.	595	606	650	660

- ◆ Goal 2 - To inform the general public about academic programs and services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Participation in alumni and community relations activities.	1,997	2,391	2,200	2,300
• External collaborations with government, education, and business entities.	180	171	200	220

- ◆ Goal 3 - To raise private funds to support ASU West academic programs and services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Dollars raised from annual fund drive (in thousands of dollars).	221	334	335	340
• Dollars raised from major gifts (in thousands of dollars).	1,800	313	325	350



**AGENCY SUMMARY  
COMMISSION ON THE ARTS**

Shelley Cohn, Executive Director  
Contact:  
A.R.S. § 41-982

HUA

**Agency Mission:**

To enhance the artistic development of all Arizona communities, arts organizations, and artists through innovative partnerships and stewardship of public funds.

**Agency Description:**

The Arizona Commission on the Arts (ACA) vision is an Arizona where all citizens experience the arts as integral to their lives. The Commission's knowledge and experience equip it to take a leadership role in the formation of partnerships from the public and private sectors, the arts community, and academia to make Arizona a richer, more stimulating place to live, work, and operate a business. The 15 Governor-appointed Commissioners and agency staff work in key areas to serve communities, arts organizations, artists, and schools statewide. The Arizona Commission on the Arts uses appropriated funds in the Community Services Projects line-item, the Arizona Arts Trust Fund, and the income from Arizona ArtShare to support these statewide endeavors. Arizona ArtShare (the arts endowment) appropriated principal (not expended by the Commission) is documented in the General Funds.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,073.3	3,800.0	3,800.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	2,404.6	1,972.1	1,970.7
Federal Funds	730.8	666.6	668.0
Agency Operating Funds Total	5,208.7	6,438.7	6,438.7
FTE Positions	19.0	18.5	18.5

**Strategic Issues**

**Strategic Issue Number: 1**

*Reaching All Arizonans*

The Commission works to reduce the disparity of access to the arts to rural and ethnic communities, and to people with disabilities. Our primary vehicle, known as "The Arts Build Communities," supports the development of artistic product within rural and ethnic communities, resulting in programs of interest to both residents and tourists (and dovetails with Issue #3 – Building Vital Communities). Studies demonstrate that travelers will lengthen their trips because of cultural events and activities, and Commission investment in "signature events," which reflect the uniqueness and authenticity of communities, is strategically linked to economic development and tourism efforts. Without continued State investment, Arizona's rural and ethnic communities will continue to lag behind urban areas in access to arts experiences, and will have reduced competitive advantages (as compared to both in-state urban areas and other states) in attracting new residents, businesses and the cultural tourist, and the resulting consumer expenditures and tax revenue.

**Strategic Issue Number: 2**

*Preparing the Thinkers of Tomorrow*

The Commission provides Arizona's schools and educators with access to arts education programs and strategies to prepare the thinkers of tomorrow. Arts education engages students in learning activities that

require use of higher order thinking skills (including critical thinking, creativity and innovation which are required by today's employers). Arts education programs are proven as effective strategies for keeping troubled youth engaged in school, and to "level the playing field" for youngsters from disadvantaged circumstances. Arizona's schools' and districts' ability to implement the Arizona Dept. of Education's mandated arts standards vary widely, and the Commission is working to help districts, particularly rural districts, meet this unfunded mandate. Without continued State investment in strong and consistent arts education programs, Arizona's students will lack essential skills they need for success in the workplace of today and tomorrow.

**Strategic Issue Number: 3**

*Building Vital Communities*

With Arizona's selection as the home for the International Genomics Consortium, and the State's continuing objective to attract and retain high-tech and other growth-oriented industry, Arizona will be expected to live up to its commitment to new ideas and technologies. Across the country, states, regions and municipalities are heeding the findings of economist Paul Romer and researcher Richard Florida. Realizing that ideas are the primary catalyst for economic growth, and that people no longer follow jobs but, rather, skilled "knowledge workers" move to the most livable places, and jobs and companies follow them there – Arizona is in a fast-moving competition with the rest of the country. We must define and deliver the state as a unique and attractive locale with many different, vibrant communities, or today's workers will not move here. They will not bring their intellectual capital, material assets and current or future families – they'll move to another state that has more of the quality of life they seek. State investment in Arizona's nonprofit arts industry supports the artistic product and experience that today's worker/resident expects and demands; ensures an exciting mix of artistic and cultural experiences; improves the quality and business practices of arts organizations; and provides a stabilizing source of funding that allows them to leverage other resources, and returns value to the State through employment and purchasing power.

**Strategic Issue Number: 4**

*Investing in the Future of the Arts Business Sector - Arizona ArtShare*

The State developed a strategic investment mechanism through Arizona ArtShare, planning to invest \$2 million in principal annually for 10 years. For two years the annual deposit was deferred, and in FY03 \$1 million was withdrawn from the endowment. For the FY04 budget, the elimination of the Endowment was proposed, but the Governor maintained the existing principal and reinstated the annual deposits. This vital State investment meets many business development needs for the arts sector, and is particularly strategic in challenging times such as these. The State retains the principal investment in perpetuity; Arizona ArtShare utilizes only the interest income from the principal for capacity-building activities: it funds programs which provide organizations with knowledge, skills and cash liquidity that make them more flexible and capable in dealing with fluctuations in their environment and their finances. Organizations participating report improved strategic plans with integrated business plans; improved governance and stewardship; stronger credibility and increased ability to attract new resources; development and maintenance of working capital reserves and stronger financial discipline; and building connections to new participants from the community. The resumption of deposits in FY04 will maintain the training and working capital reserves achieved to date.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To ensure all people in Arizona have access to diverse arts experiences.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Total dollars requested (in thousands).	6,892.0	6,647.0	7,167.0	7,300.0

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Individuals benefiting from programs sponsored by agency (in thousands).	7,578.7	6,700.0	6,800.0	6,900.0
• Total number/percentage applications from ethnic-run organizations funded.	48/93	51/85	50/80	52/82
• Number community-driven project applications received/number funded.	604/529	558/515	499/440	550/520
• Number of applicants which did not apply in previous year/percent of total.	174/29	154/27	111/22	125/24
• Number/percentage of applications from rural applicants that are funded.	182/92	139/94	126/88	130/90
• Number organizations that did not apply in previous year funded/percent funded.	139/80	145/94	92/83	100/85
• Number/percentage of total applications which are from rural applicants.	196/33	147/27	144/29	165/30
• Number grant applications from ethnic-run organizations.	48	60	62	65
• Number of "signature" events. <i>Two projects extended from FY02 to FY03</i>	13	8	6	6
• Number of participants at "signature" events. <i>FY02 fig includes 50,000 participants at TOCA Basketweavers' Gathering. FY03 figure estimate as of 8/20/03; actual figures available 11/30/03</i>	72,102	35,000	38,000	40,000
• Percent of community-driven project applications funded.	88	88	89	90
• Dollars awarded (in thousands)/Percent of request.	3,391.8/ 49	3,754.8/ 56	3,028.3/ 42	3,028.3/ 41
• Local matching funds generated/grants awarded (millions).	95/3.4	100/3.7	97/3.0	100/3.0
• Ratio of local matching funds generated/grants awarded.	28.2:1	27:1	32:1	33:1
◆ Goal 2 - To strengthen the artistic and management skills of artists and arts organizations.				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percentage of applicants who document success in final reports. <i>FY03 figure estimate as of 8/20/03; actual figures available 11/30/03</i>	88	88	88	88
• Percentage of organizations receiving general operating support that demonstrate and report strengthened artistic/management skills and capacity.	86	88	88	88
◆ Goal 3 - To ensure the essential role of the arts in teaching and learning, particularly in K-12, is accomplished.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Of arts education program grantees, the percentage reporting using the Arizona Arts Standards in teaching. <i>FY03 figure estimated as of 8/20/03; actual figures available 11/30/03</i>	N/A	100	100	100
◆ Goal 4 - To ensure that access to arts information is provided through both "high-tech" and "high-touch" services.				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of outreach activities including site visits, public presentations, convenings, and technical assistance (in thousands).	6.1	10.1	10.	10.5
• Percentage of organizational grant applicants using electronic/downloadable applications.	78	97	97	97
• Number of website "hits".	N/A	38,733	40,000	42,500
• Constituent satisfaction ratings (0-8 scale).	7.25	7.5	7.5	7.5
• Number impacted by outreach activities (in thousands)	10.1	11.8	12.0	12.5
• Administration as a percentage of total cost.	6.3	6.3	6.3	6.3
◆ Goal 5 - To work towards favorable public policy for Arizona's arts industry.				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of public policy forums to integrate the arts.	10	10	11	11
◆ Goal 6 - To ensure stable financial resources to implement the plan exist.				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• State funds are appropriated to implement the plan (in thousands).	3,837.0	3,526.0	5,300.0	5,300.0
• The cumulative contributions to Arizona ArtShare increase in both non-designated funds and contributions to arts organization endowments (in thousands).	24,000.0	26,700.0	28,700.0	30,700.0
◆ ◆ ◆ ◆ ◆ ◆				

<b>AGENCY SUMMARY</b>	
<b>STATE BOARD FOR CHARTER SCHOOLS</b>	
Kristen Jordison, Executive Director	CSA
Contact: Kristen Jordison, Executive Director	(602) 364-3080
A.R.S. § 15-181 to 15-189	

**Agency Mission:**

To foster accountability in charter schools which will improve student achievement through market choice.

**Agency Description:**

The Arizona State Board of Charter Schools, established by A.R.S. §15-182, grants charters to qualifying applicants pursuant to A.R.S. § 15-183 and exercises general and specific supervision over the schools that it sponsors.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	433.0	683.1	683.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>433.0</b>	<b>683.1</b>	<b>683.1</b>
<b>FTE Positions</b>	<b>7.0</b>	<b>10.0</b>	<b>10.0</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*Oversight*

Our agency and Board has evolved over the last nine years and will continue to learn and develop a model of charter school accountability. However, a strategic issue for our small agency is funding and staffing.

**Strategic Issue Number: 2**

*Rules, Policies and Procedures*

The Agency and the Board have striven over the last nine years to finalize our oversight approach in administrative rules, and policies and procedures. A strategic issue for our agency would be to continue to work with the necessary offices to finalize our rules package and then maintain them when appropriate.

**Strategic Issue Number: 3**

*Perception*

One of our goals is to provide necessary oversight of charter schools on an annual and on-going basis. Another goal is to improve parental and public satisfaction of charter schools through the collection and dissemination of charter school information. A strategic issue for our agency is to continue to provide the necessary oversight, which can mean putting schools on corrective action plans, withholding state funding, or revoking the charter contract, while maintaining a public understanding that these actions do not reflect a failing charter school system but a system that is holding individual schools accountable.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To sponsor successful charter schools.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of ASBCS applications received from applicants.	81	60	35	35
● Number of ASBCS applications approved.	58	47	23	23
● Total number of ASBCS charters contracts with one or more sites in operation.	192	238	341	364
<i>*The '04 &amp; '05 charter contract numbers include all SBE sponsored schools since oversight is ASBCS responsibility.</i>				
● Number of ASBCS charter school sites in operation.	292	332	456	496
<i>*The '04 &amp; '05 charter site numbers include all SBE sponsored schools since oversight is ASBCS responsibility.</i>				
● Applicant satisfaction survey (Scale 1-4).	N/A	N/A	3.5	3.7
● Percentage of ASBCS applications processed timely.	N/A	N/A	Baseline	100

◆ Goal 2 - To improve customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of visitors to the website.	9,324	13,164	14,000	14,500
● Number of workshops conducted.	5	5	10	10
● Percent of charter school attendees satisfied with information workshop content.	90	86	95	95
● Number of times website pages are updated.	120	342	135	135
● Number of times related webpage links are updated.	25	12	25	25
● Number of informational mailings sent to stakeholders.	6	102	150	165
● Customer satisfaction survey (Scale 1-8).	7.42	7.46	7.75	7.85

◆ Goal 3 - To provide necessary oversight of ASBCS sponsored charter schools.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of 5 year reviews completed timely.	100	97	100	100
● Percent of prior year annual audits submitted timely.	89	70	92	93
● On-site monitoring visits.	100	93	200	250
● Number of corrective action plans mandated.	26	34	50	60
● Percent of corrective action plans successfully completed.	73	85	87	90
● Decrease in number of audit findings reported by schools.	N/A	3	(1)	(2)

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Complaints regarding schools that it sponsors.	98	86	100	110
● Administration as a % of total cost.	3.25	3.25	3.24	3.15
● Percentage of charter school students who meet or exceed the standard on AIMS.	N/A	N/A	Baseline	+1



**AGENCY SUMMARY**  
**ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND**

Dr. Kenneth D. Randall, Superintendent SDA  
 Contact: Gretchen Logan, Assistant (520) 770-3704  
 Superintendent for Business Services  
 A.R.S. § 15-1300 et. seq.

**Agency Mission:**

To provide excellence in education of all children and youth with sensory-impairment throughout Arizona, to foster partnerships with families, school districts, communities and others that will enable children and youth with sensory impairment to succeed now and in the future, and to respect and support the well-being of each employee.

**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 sensory-impaired children and youth from birth to 22 years of age. School-aged children are served at one of the site based schools (located in Tucson or Phoenix) or in their home school district through one of the 5 Regional Cooperative programs. In addition to educational and evaluation services, the ASDB Tucson campus provides a residential program. Sensory-impaired 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 a limited number of referred sensory impaired children with multiple disabilities.

<b>Agency Summary:</b>	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ASDB ADMINISTRATION	3,718.1	3,718.1	3,718.1
➤ ASDB-PHOENIX	6,835.4	8,718.4	8,253.7
➤ ASDB STATEWIDE	15,946.7	19,427.7	19,938.5
➤ ASDB-TUCSON	14,511.7	15,297.1	15,197.9
Agency Total	41,011.9	47,161.3	47,108.2

<b>Funding and FTE Summary:</b>	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	15,173.0	13,835.8	13,912.8
Other Appropriated Funds	11,416.9	14,471.1	14,961.0
Other Non-Appropriated Fund	12,168.1	15,431.8	15,431.8
Federal Funds	2,253.9	3,422.6	2,802.6
Agency Operating Funds Total	41,011.9	47,161.3	47,108.2
FTE Positions	931.4	931.4	931.4

**Strategic Issues**

**Strategic Issue Number: 1**

*Fostering the development of parent and community partnerships*

The Parent Information Network Specialist implemented and coordinated a number of activities to involve more parents with the schools and their child's educational program. Family Literacy Program – bringing literacy into the home with the support of tutors. Weekly parent folders – to inform parents of learning occurring in the classroom, activities at the school, and events in the community. Improved Parent-School Decision Making Family Weekend – an event to bring

parents of sensory impaired students together for a weekend of making connections with other parents, making connections with the school, and learning to become advocates for their children. Community Presentations – the ASDB PINS works with other PINS and EAPN in presenting information to community organizations and parents regarding advocacy and general information for accessing educational programs. Parent Associations are active on both site-based campuses. Parent groups provide support and information to other parents regarding the education of students with visual impairment. Parent groups provide support to school events for students in the form of after school activities. 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 to sensory impaired 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 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 sensory impairment, to increase choices and opportunities for the students. Agencies include SAAVI, CPY, VCD, and FBC.

**Strategic Issue Number: 2**

*Developing and maintaining a positive, proactive work environment within the Agency.*

The Department of Human Resources implemented a number of changes to enhance operations in the Agency. ASDB is now a part of the HRIS system that will result in more accurate information. The Crockett system is being utilized to interface with the HRIS system which will better track work schedules, leave, etc. A Systems Analyst position is employed to bring the classification system in line with State parameters. An HRIS Specialist is being employed with time dedicated solely to maintaining the HRIS and Crockett systems, and to keep the Agency in line with state requirements. Employees identified in supervisory positions completed training and successfully passed a test to meet the requirements of supervisor as identified by the Arizona Government University curriculum. 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.

**Strategic Issue Number: 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 site-based programs submitted and successfully obtained an Education Technology grant to increase technology knowledge at the teacher and classroom level. 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 has been completed for use on a school-wide basis. The database is now 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. The infrastructure of the technology system has been enhanced at the Agency to make communication more effective and efficient. Installation of the LAN/ WAN systems has been completed for connectivity between and among agency staff. There is now an operational fire wall for the LAN as required by state statute.

**Strategic Issue Number: 4**

*Enhancing recruitment and retention of employees.*

The Internet and media are utilized as a means to recruit qualified staff, from around the country, to ASDB. ASDB maintains a current listing of available jobs on our website. ASDB participates in a website offered by the Arizona Department of Education promoting educational job opportunities in Arizona. 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 Agency works with several university programs around the country to recruit talented future professionals to ASDB. Formal presentations and training's are made available during the school year to educate and inform staff regarding employment issues to enhance benefit opportunities, and to educate staff in strategies and techniques to improve student classroom performance. Employment seminars are held to inform staff of current benefits. New employee orientations are held to provide organization and procedural information regarding agency function. In addition to regularly scheduled staff meetings, a larger block of time is reserved for more in-depth presentations by outside professionals and staff returning from national conferences. A series of presentations are offered to instructional staff to support the implementation of new curriculum and materials. Supervisory staff completed the Arizona Government University curriculum with 100% completion rate.

**Strategic Issue Number: 5**

*Provide leadership and organizational support.*

ASDB Leadership has structured 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 creation of a continuum of service for all sensory 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 students with sensory impairment to access 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 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 constituents. ASBA training has been accessed by ASDB Board Members to increase knowledge of board operations and responsibilities. Advocacy training at a national level has been provided by AER to promote passage of laws affecting persons with blindness. Intensive training has been obtained in NCLB, IDEA, and MIPS to maximize service to students served at ASDB.

**Strategic Issue Number: 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 students with hearing impairment in conjunction with the University of Minnesota. Quality Programming for the Visually Impaired training is being conducted at all regional cooperatives and at the site-based program in conjunction with Texas School for the Blind. A literacy program has been implemented with young students with hearing impairment and their families to promote increased reading. A curriculum selection process and accompanying textbook purchases have been completed in all site-based programs. Curriculum enhancement activities continue in the areas of science and social studies through History Alive! and Science Alive! trainings. Instructional accountability continues to be a critical focus area of the Agency. A large data based 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 coordinators have created an ongoing dialogue with ADE to obtain test results for those students that require accommodations.

**Strategic Issue Number: 7**

*Restructuring the Agency to enhance efficiency and effectiveness.*

Internet and e-mail access is available to all agency personnel. All programs in the Agency are now connected and able to access the Internet for resources. E-mail has increased the ability of staff to communicate across the state and results in faster services to students. 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 has been assessed and ideas proposed to promote better and increased services to infants and toddlers in home based programs. The Three to Five Program has been assessed to look at how to provide preschool services closer to the students' homes across the state. The Agency is investigating ways to provide services in conjunction with local school districts. A leadership team has been established to develop and follow the priorities of the Agency. Leadership team brings issues of the entire agency together in one forum on a weekly basis for discussion and planning. Leadership team utilizes the 7 Key Directions and Strategic Plan to determine progress.

**Strategic Issue Number: 8**

*Providing students and staff with appropriate facilities and compensation.*

A study conducted by the Schools Facilities Board provided conclusions and recommendations for the Agency Building Plan. The SFB assessment concurred that the Phoenix Day School for the Deaf has a significant space deficiency and requires funding when available for the provision and enhancement of services. ASDB-Tucson needs upgrades in virtually all HVAC units and communication system to enhance service to students. Preschool programs in the Phoenix area are close to where students live. Three satellite programs are established in elementary schools to serve preschool students with sensory impairment. Additional programs are planned at local school district locations dependent on availability of space. Compensation issues are currently not addressed 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.

SDA.1                      PROGRAM SUMMARY  
**ASDB ADMINISTRATION**

Contact: Kenneth D. Randall, Superintendent  
 Phone: (520) 770-3718  
 A.R.S. § 15-1300 et. seq.

**Program Mission:**

*To provide leadership and vision for agency programs and to secure, maintain, and protect resources needed to meet the mission of the Agency.*

**Program Description:**

Administration provides agency wide services necessary to operate the educational programs. The Superintendent's Office provides accountability to the Board of Directors and leadership to the educational programs; the Personnel Office provides and maintains the human resources of the Agency; the Finance Office maintains and protects the fiscal resources of the Agency; and the Operations Office operates and maintains facilities, transportation, food service and loss prevention services of the Agency.

<b>Funding and FTE Amounts:</b>	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate

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General Funds	3,617.2	3,595.9	3,595.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	33.1	34.0	34.0
Federal Funds	67.8	88.2	88.2
<b>Program Total</b>	<b>3,718.1</b>	<b>3,718.1</b>	<b>3,718.1</b>
FTE Positions	73.0	73.0	73.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To prudently and fairly manage personnel resources of the Agency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of permanent certified positions filled.	95	93	95	95
● Percent of permanent classified positions filled.	92	89	92	92
● Percent of permanent certified staff turnover.	12	8	8	8
● Percent of permanent classified staff turnover.	26	19	18	18
● Percent of agency staff turnover.	20	15	15	15

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of parents satisfied with the quality of the physical environment.	95	97	97	97
● Percent of parents satisfied with the quality of transportation services provided.	94	87	90	90
● Percent of parents satisfied with the quality of food services.	82	85	90	90

◆ Goal 3 - To increase efficiency and effectiveness in the instructional program for students served by ASDB Programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Member eligible districts.	168/217	177/217	177/217	177/217

◆ Goal 4 - To maintain a positive relationship with parents

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of parents satisfied with leadership.	95	94	95	95
● Percent of parents rating overall quality of services as "good" or "excellent" based on annual survey.	94	94	94	94

◆ Goal 5 - To exceed all expected performance standards as identified by the SAT, AIMS, and AIMS-A for every student served by an ASDB Program by August 2005.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students receiving instructional services.	1,604	1,710	1,710	1,710
● Voucher funding per student - HI.	15,700	16,000	16,400	16,800
● Voucher funding per student - VI.	15,800	16,100	16,500	16,900
● Percent of parents satisfied with instructional programs and services as measured by a survey.	93	94	95	95

SDA.2 PROGRAM SUMMARY  
ASDB-PHOENIX

Contact: Kenneth D. Randall, Superintendent  
Phone: (520) 770-3718  
A.R.S. § 15-1300 et. seq.

**Program Mission:**

*To work together with the parents, school districts, business and community members to create nurturing environments in which sensory impaired children feel valued, develop their unique abilities, strive to achieve academic excellence, and develop skills to help students become productive and responsible members of society. This mission is based upon the belief that all children with sensory impairments can learn and that every effort must be made to ensure that students are provided with a thorough and efficient education in a safe environment where students can fulfill their academic potential.*

**Program Description:**

PDSB 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 about 270 students aged 5 through 22 who live within the metropolitan Phoenix area to the extent that daily transportation is feasible.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,561.5	1,732.6	1,768.8
Other Appropriated Funds	4,534.5	5,292.4	4,991.5
Other Non-Appropriated Fund	232.2	279.0	279.0
Federal Funds	507.2	1,414.4	1,214.4
<b>Program Total</b>	<b>6,835.4</b>	<b>8,718.4</b>	<b>8,253.7</b>
FTE Positions	200.4	200.4	200.4

**Program Goals and Performance Measures:**

◆ Goal 1 - To increase efficiency and effectiveness in the instructional program for students served by ASDB Programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Individual Educational Plans (IEP) with participation of representatives from school districts.	56	57	65	65



Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of IEP's developed with participation of parent.	85	84	86	86

- ◆ Goal 2 - To exceed all expected performance standards as identified by the SAT, AIMS, and AIMS-A for every student served by an ASDB Program by August 2005.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of students successful in transition settings, (e.g., local public schools, post graduate education or training or work) three years after graduation.	92	92	95	95
● Percent of parents satisfied with the quality of the program.	91	94	94	94
● Percent of parents satisfied with their involvement in the program.	89	94	95	95

SDA.3                      PROGRAM SUMMARY  
**ASDB STATEWIDE**

Contact: Kenneth D. Randall, Superintendent  
 Phone: (520) 770-3718  
 A.R.S. § 15-1300 et. seq.

**Program Mission:**

*To work together with the parents, school districts, business and community members to create nurturing environments in which sensory impaired children feel valued, develop their unique abilities, strive to achieve academic excellence, and develop skills to help students become productive and responsible members of society. This mission is based upon the belief that all children with sensory impairments can learn and that every effort must be made to ensure that students are provided with a thorough and efficient education in a safe environment where students can fulfill their academic potential.*

**Program Description:**

In the 1980s the Arizona Legislature expanded the scope of ASDB's services by establishing Regional Cooperative programs. ASDB staff knowledgeable in the education of hearing impaired and visually impaired students work with local school districts to provide these educational services to students who need some accommodations and special services, but do not need the intensive services available at either the Tucson or Phoenix campuses. About 1400 hearing impaired and visually impaired students in Arizona get educational services in their local public schools by ASDB staff. There are two Regional Cooperatives in Southern Arizona (Southeast Region and Southwest Region). There are three Regional Cooperatives in Northern Arizona (North Central Region, Desert Valleys Region and Eastern Highlands Region).

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,902.0	1,184.9	1,184.9
Other Appropriated Funds	1,362.3	2,299.8	3,010.6
Other Non-Appropriated Fund	11,605.8	14,514.6	14,514.6
Federal Funds	1,076.6	1,428.4	1,228.4
<b>Program Total</b>	<b>15,946.7</b>	<b>19,427.7</b>	<b>19,938.5</b>
FTE Positions	342.7	342.7	342.7

SDA.4                      PROGRAM SUMMARY  
**ASDB-TUCSON**

Contact: Kenneth D. Randall, Superintendent  
 Phone: (520) 770-3718  
 A.R.S. § 15-1300 et. seq.

**Program Mission:**

*To work together with the parents, school districts, business and community members to create nurturing environments in which sensory impaired children feel valued, develop their unique abilities, strive to achieve academic excellence, and develop skills to help students become productive and responsible members of society. This mission is based upon the belief that all children with sensory impairments can learn and that every effort must be made to ensure that students are provided with a thorough and efficient education in a safe environment where students can fulfill their academic potential.*

**Program Description:**

ASDB's Tucson Campus is the home of the Arizona School for the Deaf (ASD), the Arizona School for the Blind (ASB), the Visually Impaired Preschool (VIP), the Center for Hearing Impaired Children (CHIC), 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 300 students aged 5 through 22 attend the Tucson Campus, and of these about 100 live in the campus residence halls.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	8,092.3	7,322.4	7,363.2
Other Appropriated Funds	5,520.1	6,878.9	6,958.9
Other Non-Appropriated Fund	297.0	604.2	604.2
Federal Funds	602.3	491.6	271.6
<b>Program Total</b>	<b>14,511.7</b>	<b>15,297.1</b>	<b>15,197.9</b>
FTE Positions	315.3	315.3	315.3

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To increase efficiency and effectiveness in the instructional program for students served by ASDB Programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Individual Educational Plans (IEP) with participation of representatives from school districts in Tucson.	42	45	55	55
● Percent of IEP's developed with participation of parent.	86	87	90	90
● Percent of parents satisfied with their involvement in the program in Tucson.	93	94	95	95

- ◆ Goal 2 - To exceed all expected performance standards as identified by the SAT, AIMS, and AIMS-A for every student served by an ASDB Program by August 2005.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of students successful in transition settings (e.g., local public schools, post graduate education or training, or work) 3 years after graduation.	89	87	95	95
● Percent of parents satisfied with the quality of the program in Tucson.	97	94	97	97
● Percent of parents that are satisfied with the quality of boarding and health services.	96	96	97	97



**AGENCY SUMMARY  
DEPARTMENT OF EDUCATION**

Tom Horne, Superintendent  
Contact:  
A.R.S. § 15-101 et seq.

EDA

**Agency Mission:**

To ensure academic excellence for all students.

**Agency Description:**

The Arizona Department of Education operates under the direction of the Superintendent of Public Instruction to provide direct services to approximately 1,375 schools in 247 locally governed school districts, and 296 charter schools operating at 431+ sites. The Agency executes the policies of the State Board of Education and the State Board of Vocational and Technological Education. The Agency implements state academic standards; administers statewide assessments; disseminates information; administers and allocates federal and state funds; and provides program improvement assistance to schools and districts. The Agency's strategic focus is on advocating high standards; supporting schools and educators; ensuring fiscal and academic accountability; and delivering high quality customer service.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ STATE BOARD OF EDUCATION/ VOCATIONAL AND TECHNOLOGICAL EDUCATION	439.6	498.6	498.6
➤ SCHOOL FINANCE	2,909,476.0	3,217,285.1	3,670,395.1
➤ ACADEMIC ACCOUNTABILITY	14,782.2	27,123.8	37,599.0
➤ ACADEMIC ASSISTANCE	484,160.9	593,186.6	584,015.4
➤ STUDENT HEALTH AND SAFETY	239,234.8	269,478.0	237,869.0
➤ SUPPORT SERVICES	26,367.9	16,993.7	13,616.3
➤ ADMINISTRATION	8,066.9	9,191.8	9,060.1
Agency Total	3,682,528.3	4,133,757.6	4,553,053.5

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,599,492.2	2,962,135.1	3,398,831.1
Other Appropriated Funds	76,505.5	68,211.3	68,211.3
Other Non-Appropriated Fund	366,568.1	348,952.8	376,180.0
Federal Funds	639,962.5	754,458.4	709,831.1
Agency Operating Funds Total	3,682,528.3	4,133,757.6	4,553,053.5
FTE Positions	475.5	483.0	481.8

**Strategic Issues**

**Strategic Issue Number: 1**

*SAIS and Accountability*

A central data warehouse of accurate, timely student and financial information must be developed, and real-time information must be collected to satisfy state and federal reporting requirements. Aggregate

information must be available for policy decisions, and to parents/guardians and the general public to hold schools accountable for student success and the expenditure of funds.

**Strategic Issue Number: 2**

*Customer Service*

Efforts to improve customer service and department operations are currently being explored and implemented.

**Strategic Issue Number: 3**

*Academic Standards*

Arizona standards represent a rich and vital curriculum, ensuring that all students are taught challenging material. Although Arizona's Instrument to Measure Standards (AIMS) will initially concentrate on Reading, Writing, and Mathematics, all of the Arizona Academic Standards are important and should be integrated throughout a school's curriculum.

**Strategic Issue Number: 4**

*Student achievement (special emphasis on K-3 reading initiative).*

Passage of AZ READS will provide direct resources to ensure that children start school ready to read, allow for early screening and ongoing diagnostic assessment and adequately train teachers to provide ongoing reading development.

**Strategic Issue Number: 5**

*Communication*

It is essential that student and school information be available to the public.

**EDA.1 PROGRAM SUMMARY  
STATE BOARD OF EDUCATION/ VOCATIONAL AND  
TECHNOLOGICAL EDUCATION**

Contact: Christy Farley, Executive Director  
Phone: (602) 542-5057  
A.R.S. Title 15

**Program Mission:**

*To set statewide policies which foster excellence in public education.*

**Program Description:**

This program includes the two State Policy Boards, which operate as independent entities from the Arizona Department of Education. The State Board of Education is responsible for supervising and regulating the conduct of the public school system, while the State Board for Vocational and Technological Education is tasked with exercising general supervision over, and regulating the conduct of, vocational and technological education in the public school system.

**This Program Contains the following Subprograms:**

- ▶ **State Board of Education/ Vocational and Technological Education**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	213.9	268.0	268.0
Other Appropriated Funds	225.7	230.6	230.6
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	439.6	498.6	498.6
FTE Positions	6.0	6.0	6.0

**EDA.1.1 SUBPROGRAM SUMMARY**  
**STATE BOARD OF EDUCATION/ VOCATIONAL AND TECHNOLOGICAL EDUCATION**

Contact: Christy Farley, Executive Director  
 Phone: (602) 542-5057  
 A.R.S. § 15-203, 15-781.01

**Subprogram Mission:**

*To set statewide policies which foster excellence in public education.*

**Subprogram Description:**

The State Board of Education meets at least ten times annually to supervise and regulate the conduct of the public school system. Arizona's education code, Title 15, charges the Board with 27 specific powers and duties in its stewardship of approximately 850,000 students from kindergarten through twelfth grade. 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 Amounts:**

(\$ Thousands)

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
General Funds	213.9	268.0	268.0	268.0
Other Appropriated Funds	225.7	230.6	230.6	230.6
Other Non Appropriated Fund	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>439.6</b>	<b>498.6</b>	<b>498.6</b>	<b>498.6</b>
FTE Positions	6.0	6.0	6.0	6.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To adopt policies which ensure academic achievement for all students.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of Arizona high school students who enter 9th grade and graduate within 4 years (based on previous school year).	N/A	N/A	Baseline	+1
● Percent of students in Grades 10, 11 & 12 meeting state academic requirements in reading, writing and math.	N/A	N/A	Baseline	+1
● Percent of students in grades 3, 5 & 8 meeting or exceeding state academic standards in Math and Language Arts.	55	N/A	+1	+2

- ◆ Goal 2 - To investigate and report on complaints of professional educators in a thorough and timely manner to ensure student safety.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of cases receiving initial response (request of records, etc...) within two weeks of complaint filed.	N/A	N/A	Baseline	+1

- ◆ Goal 3 - To increase and improve stakeholders and the general public's involvement/awareness of public policy and education initiatives.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of special meetings held to receive input and engage stakeholders and the general public in policy discussions.	N/A	N/A	Baseline	+1

**EDA.2 PROGRAM SUMMARY**  
**SCHOOL FINANCE**

Contact: Nettie Klingler, Director  
 Phone: (602) 542-5695  
 A.R.S. § 15-201-551,15-801-1491

**Program Mission:**

*To administer state aid and ensure compliance with financial and reporting requirements for all publicly funded schools, while providing prompt customer service.*

**Program Description:**

The School Finance program provides state aid through the funding formulas; collects and provides required financial, student, transportation and staffing data; determines and facilitates the districts' compliance with budget and expenditure limits; assists districts and charter schools in complying with state law; and responds to requests for data. This program contains the following subprograms, which are identified below: Payment and Financial Compliance and Administration, Research, and Support.

**This Program Contains the following Subprograms:**

- ▶ Payment and Financial Compliance
- ▶ Administration, Research, and Support

**Funding and FTE Amounts:**

(\$ Thousands)

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
General Funds	2,511,079.9	2,858,788.7	3,286,196.9	3,286,196.9
Other Appropriated Funds	70,263.0	59,761.1	59,761.1	59,761.1
Other Non-Appropriated Fund	328,133.1	298,735.3	324,437.1	324,437.1
Federal Funds	0.0	0.0	0.0	0.0
<b>Program Total</b>	<b>2,909,476.0</b>	<b>3,217,285.1</b>	<b>3,670,395.1</b>	<b>3,670,395.1</b>
FTE Positions	17.0	19.0	19.0	19.0

**EDA.2.1 SUBPROGRAM SUMMARY**  
**PAYMENT AND FINANCIAL COMPLIANCE**

Contact: Nettie Klingler, Director  
 Phone: (602) 542-5695  
 A.R.S. Title 15

**Subprogram Mission:**

*To administer state aid, monitor financial compliance for publicly funded schools and provide prompt customer service.*

**Subprogram Description:**

This subprogram provides equalization assistance (Basic State Aid) for basic maintenance and operations funding to both school districts and charter schools and other special formula funding programs. In addition, the subprogram monitors financial compliance through statutory testing of school district budget limits and analyses of required reports and data submitted by both school districts and charter schools. Equalization assistance is designed to provide equitable per-pupil funding among school districts and charter schools for maintenance and operation 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 maintenance and operations funding from a local tax levy on the property within their boundaries.

Other formula funding programs under this subprogram are: 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; 4) Special Education and Residential Voucher; 5) Permanent and Institutional Vouchers; 6) County Jails and Detention Centers; 7) Juvenile Corrections and Adult Corrections; and 8) Classroom Site Fund. In addition, this subprogram monitors the expenditures of school districts for statutory compliance and assists school districts in the resolution of non-compliance issues.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,510,444.0	2,857,904.6	3,285,312.8
Other Appropriated Funds	70,263.0	59,761.1	59,761.1
Other Non Appropriated Fund	328,132.9	298,735.3	324,437.1
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,908,839.9</b>	<b>3,216,401.0</b>	<b>3,669,511.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve training and technical assistance to schools for financial compliance.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of participants surveyed who thought training was helpful.	75	95	98	99
● Number of workshops provided to charter schools.	N/A	N/A	Baseline	+1
● Number of days to process expenditure analysis from October 15.	85	85	60	45
● Number of days to process budget analysis from July 18.	85	85	60	45

- ◆ Goal 2 - To improve customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Instructional Improvement Fund (IIP) payments made on a quarterly basis.	55	TBD	65	65
● Percent of Classroom Site Fund payments made on a monthly basis.	67	TBD	100	100

**EDA.2.2 SUBPROGRAM SUMMARY  
ADMINISTRATION, RESEARCH, AND SUPPORT**

Contact: Nettie Klingler, Director  
Phone: (602) 542-5695  
A.R.S. Title 15

**Subprogram Mission:**

*To collect and analyze data on publicly funded schools for state aid payments, statutory requirements and accountability to the public.*

**Subprogram Description:**

This subprogram collects data for purposes of calculating equalization assistance and budget limits as applicable for publicly funded education entities. The subprogram also collects related data principally to meet reporting requirements for the federal Common Core of Data. Its main purposes are to support the Payments and Financial Compliance subprogram and to provide education related data to other governmental agencies and taxpayers as requested and/or required.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	635.9	884.1	884.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.2	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>636.1</b>	<b>884.1</b>	<b>884.1</b>
FTE Positions	17.0	19.0	19.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure that data is promptly available to schools/districts.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of months one ADMS report is made available for districts.	N/A	N/A	8	10
● Number of months two ADMS reports are made available for charter schools.	N/A	N/A	8	10
● Number of days the common core data report accurately submitted prior to September's Labor Day Tuesday deadline.	N/A	17	75	75

EDA.3 PROGRAM SUMMARY  
**ACADEMIC ACCOUNTABILITY**

Contact: Patricia Loughrin, Associate Superintendent  
 Phone: (602) 364-1955  
 Laws 1990, Ch. 233

**Program Mission:**

*To promote attainment of high academic achievement for all students.*

**Program Description:**

The Academic Accountability program focuses on improving student achievement through academic and technical skill attainment. Program initiatives include the promotion of educational reform through full implementation of the Arizona Academic Standards; student assessment; school accountability; professional development for teachers and administrators; and program evaluation and research.

**This Program Contains the following Subprograms:**

- ▶ Arizona Academic Standards
- ▶ Student Assessment and School Accountability
- ▶ Research and Policy
- ▶ Comprehensive School Reform
- ▶ Achievement Profiles and Support

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	5,169.6	5,708.4	13,470.4
Other Appropriated Funds	4,348.3	6,261.5	6,261.5
Other Non-Appropriated Fund	47.6	1,540.5	1,540.5
Federal Funds	5,216.7	13,613.4	16,326.6
<b>Program Total</b>	<b>14,782.2</b>	<b>27,123.8</b>	<b>37,599.0</b>
FTE Positions	33.4	32.7	32.2

**Subprogram Mission:**

*To provide educators with support that promotes high academic achievement of all students.*

**Subprogram Description:**

The Arizona Academic Standards subprogram provides professional development to Arizona educators in the implementation of the Arizona's Academic Standards and educates the public to understand the academic requirements for all students in Arizona public schools.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,233.0	1,736.9	1,736.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	36.1	1,491.8	747.7
<b>Subprogram Total</b>	<b>1,269.1</b>	<b>3,228.7</b>	<b>2,484.6</b>
FTE Positions	12.2	7.8	7.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve services to educators for Arizona Academic Standards implementation.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Number of regional training of trainers sessions held to build capacity.	N/A	N/A	Baseline	+1
• Percent of attendees surveyed reporting readiness to implement Arizona Academic Standards as a result of available resources, support and training.	N/A	N/A	Baseline	+1

- ◆ Goal 2 - To assist in improving reading achievement through the implementation of the state's reading initiative (AZ READS).

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Percent of Reading First LEAs surveyed reporting satisfaction with department training and support.	N/A	N/A	Baseline	+1
• Percent of LEAs surveyed reporting satisfaction with department training and support with reading strategies in content subject areas for grades 4-12.	N/A	N/A	Baseline	+1

EDA.3.1 SUBPROGRAM SUMMARY  
**ARIZONA ACADEMIC STANDARDS**

Contact: Marie Mancuso, Director  
 Phone: (602) 542-5031  
 A.R.S. § 15-701.01, P.L. 103-382 and P.L. 103-227

EDA.3.2 SUBPROGRAM SUMMARY  
**STUDENT ASSESSMENT AND SCHOOL ACCOUNTABILITY**

Contact: Ron Carriveau, Deputy Associate Superintendent  
 Phone: (602) 542-5031  
 A.R.S. § 15-741, 746

**Subprogram Mission:**

*To develop academic content standards and assessments.*

**Subprogram Description:**

This subprogram provides for the development of Arizona academic content standards that describe what students need to know and be able to do, articulated by grade level. This subprogram also provides for the development and administration of a nationally standardized, norm-referenced achievement test, and a standards-based test of the Arizona academic content standards (AIMS), that is developed by Arizona educators.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,803.3	3,835.7	11,597.7
Other Appropriated Funds	4,114.1	5,855.5	5,855.5
Other Non Appropriated Fund	47.6	40.5	40.5
Federal Funds	2,842.8	7,021.2	7,021.2
<b>Subprogram Total</b>	<b>10,807.8</b>	<b>16,752.9</b>	<b>24,514.9</b>
FTE Positions	13.1	16.5	16.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To develop academic content standards in conjunction with Arizona educators representing the diverse student population of Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of school districts represented on reading standards development committee.	N/A	41	+1	+2
● Number of school districts represented on mathematics standards development committee.	N/A	40	+1	+2
● Number of school districts represented on science standards development committee.	N/A	65	+1	+2
● Number of resource components included in standards documents developed for assistance in interpreting and using standards.	N/A	3	+2	+2

- ◆ Goal 2 - To develop a standards-based assessment (AIMS) that matches the academic content standards in order to measure the academic achievement of all Arizona students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of new math and reading test items developed for inclusion on AIMS grades 3-high school, and for replacement of CTB items with Arizona produced items.	N/A	N/A	Baseline	+1
● Number of new writing test items developed for inclusion on AIMS grades 3-high school, and for replacement of CTB items with Arizona produced items.	N/A	N/A	Baseline	+1

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of new science test items developed for inclusion on AIMS grades 3-high school, and for replacement of CTB items with Arizona produced items.	N/A	N/A	Baseline	+1

EDA.3.3 SUBPROGRAM SUMMARY  
**RESEARCH AND POLICY**

Contact: Dr. Iidiko Laczko-Kerr, Deputy Associate Superintendent

Phone: (602) 542-5151

P.L. 100-77

**Subprogram Mission:**

*To conduct research designed to assist the educational community and the public; to provide support to public schools by ensuring high quality academic accountability and data driven decision-making tools.*

**Subprogram Description:**

Research and Policy (R&P) provides timely, accurate and objective research to inform the public and to support educators and policymakers. Research projects include statutory research requirements, program evaluations and independent research. Specifically, R&P is responsible for the development, implementation and future modifications of the Arizona LEARNS Achievement Profile as well as No Child Left Behind accountability formula. R&P maintains a relationship with the Arizona State Legislature to communicate education research issues. R&P works to include the perspective of school districts in its research. In addition, R&P provides technical support to schools and districts on data interpretation and use.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	133.3	135.8	135.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	77.1	43.9	43.9
<b>Subprogram Total</b>	<b>210.4</b>	<b>179.7</b>	<b>179.7</b>
FTE Positions	3.0	4.0	4.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide high quality information to schools and the public.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of required reports completed timely.	90	95	100	100

- ◆ Goal 2 - To provide technical support to schools and the department regarding state, district, school and student level data.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of requests completed within 24 hours for standard data requests.	N/A	N/A	Baseline	+1

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of requests completed within one week for more complex requests.	N/A	N/A	Baseline	+1

◆ Goal 3 - To undertake original applied research along with the identification, evaluation, and promotion of best practices in public education.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of best practices identified and shared with schools and the public.	N/A	N/A	Baseline	+1

EDA.3.4 SUBPROGRAM SUMMARY  
**COMPREHENSIVE SCHOOL REFORM**

Contact: Nancy Konitzer, Deputy Associate Superintendent  
Phone: (602) 542-7470  
P.L. 105-78

**Subprogram Mission:**

*To provide support and assistance for schools in the development of comprehensive school reforms in order to improve student achievement.*

**Subprogram Description:**

The Comprehensive School Reform subprogram administers a federally funded stimulus program entitled Comprehensive School Reform Demonstration Program, CSRD (a.k.a. Obey-Porter). Schools in need of substantial improvement, and who have been specifically identified based on a rank ordering in the area of student achievement, are eligible to apply for competitive three-year grants. Funds are competitively awarded to schools to help initiate school wide change that integrate nine specific reform components listed in the legislation. Comprehensive school reform emphasizes change in all aspects of school operations rather than a fragmented, piecemeal approach to reform, enabling all students, especially low-achieving students, to meet Arizona's Academic Standards.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	2,260.7	5,056.5	8,513.8
Subprogram Total	2,260.7	5,056.5	8,513.8
FTE Positions	2.4	2.3	1.8

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To monitor and ensure improvements in student achievement for schools receiving Comprehensive School Reform funding.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of schools receiving CSR funds meeting adequate yearly progress, by cohort after 1 year.	44	N/A	46	47

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of schools receiving CSR funds meeting adequate yearly progress, by cohort after 2 years.	53	N/A	55	56
● Percent of schools receiving CSR funds meeting adequate yearly progress, by cohort after 3 years.	N/A	N/A	Baseline	+1

EDA.3.5 SUBPROGRAM SUMMARY  
**ACHIEVEMENT PROFILES AND SUPPORT**

Contact: Dr. Idiko Laczko-Kerr, Deputy Associate Superintendent  
Phone: (602) 542-5151

**Subprogram Mission:**

*To identify low performing schools and support efforts which improve student achievement.*

**Subprogram Description:**

The Achievement Profiles subprogram focuses on the design and publication of the Achievement Profiles and provides support in the interpretation of results for the purpose of school improvement. Technical assistance is provided to schools in the areas of curriculum, instruction and assessment aligned to the Arizona Academic Standards.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	234.2	406.0	406.0
Other Non Appropriated Fund	0.0	1,500.0	1,500.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	234.2	1,906.0	1,906.0
FTE Positions	2.7	2.0	2.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To develop a fair and accurate accountability system for public education in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of days the AZ LEARNS Achievement profile formula completed and reports provided before the required deadline(s).	N/A	N/A	Baseline	+1

◆ Goal 2 - To improve technical assistance to all public schools on meeting Arizona's accountability requirements.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of schools/districts demonstrating curricular and instructional alignment to state standards.	N/A	N/A	Baseline	+1



Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Percent of all under performing schools provided assistance with School Improvement Plans.</li> </ul>	N/A	N/A	Baseline	+1

EDA.4.1 SUBPROGRAM SUMMARY  
**EARLY CHILDHOOD PROGRAMS**  
 Contact: Joanne Phillips, Deputy Associate Superintendent  
 Phone: (602) 542-4103  
 A.R.S. § 15-715, 15-1251

EDA.4 PROGRAM SUMMARY  
**ACADEMIC ASSISTANCE**  
 Contact: Tacy Ashby, Deputy Superintendent  
 Phone: (602) 364-2339  
 A.R.S. § 15, et. seq.

**Program Mission:**

*To promote the development and implementation of quality education for all learners.*

**Program Description:**

The Academic Assistance program provides funding, technical assistance and resource coordination to local educational agencies and public and private organizations in their administration of preschool to adult programs for special populations. It also provides professional development opportunities to teachers and administrative professionals and supports local efforts focused on parental and community involvement.

**This Program Contains the following Subprograms:**

- ▶ Early Childhood Programs
- ▶ Migrant Children Education
- ▶ Indian Education
- ▶ Homeless Education
- ▶ English Acquisition Services
- ▶ Special Education Program Development
- ▶ Special Education Assistance To Schools
- ▶ LEA Grants & School Improvement (Title I)
- ▶ School To Work
- ▶ Gifted Education
- ▶ Workforce Development
- ▶ Adult Education
- ▶ Family Literacy

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	69,379.3	84,661.4	86,187.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	28,659.6	34,435.3	35,960.5
Federal Funds	386,122.0	474,089.9	461,867.7
Program Total	484,160.9	593,186.6	584,015.4
FTE Positions	216.0	219.9	220.8

**Subprogram 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 to become successful lifelong learners.*

**Subprogram Description:**

Early Childhood Education (ECE) Programs include Family Literacy, Preschool Special Education, the Early Childhood Block Grant and multiple collaborative partnerships. ECE Programs support school readiness by encouraging the implementation of high quality program guidelines and educational standards. Programs are offered resources, on-site support, funding and professional development to promote developmentally appropriate learning environments.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	19,379.9	19,408.6	19,408.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.7	0.7
Federal Funds	5,927.7	5,770.1	5,499.6
Subprogram Total	25,307.6	25,179.4	24,908.9
FTE Positions	11.0	10.0	10.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of early childhood programs through coordinated, effective professional development.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Percent of enrolled children with a Readiness Index Score of 1.0 or greater as measured by the Pre-K Success Assessment.</li> </ul>	N/A	N/A	50	60
<ul style="list-style-type: none"> <li>Percent of programs meeting or exceeding performance indicators on ECERS-R.</li> </ul>	N/A	N/A	50	60

- ◆ Goal 2 - To ensure compliance with State and Federal statutes and regulations, and other contractual obligations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Percent of pre-K special education programs meeting or exceeding performance indicators on monitoring review.</li> </ul>	N/A	N/A	50	60

◆ Goal 3 - To improve customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of customers satisfied with ECE on-line grants application.	N/A	98	98	98

EDA.4.2 SUBPROGRAM SUMMARY  
**MIGRANT CHILDREN EDUCATION**

Contact: Sandra Hopkinson, Deputy Associate Superintendent  
Phone: (602) 542-7463  
P.L. 103-382

**Subprogram Mission:**

*To assist schools that provide services in support of high academic success of migrant students.*

**Subprogram Description:**

The Migrant Education subprogram is a federally funded, state operated and state administered program under the No Child Left Behind Act of 2001 that provides supplemental program services to the children, ages 3 through 21, of seasonal or temporary agricultural workers. In Arizona, the program delivers services primarily through local educational agencies that design programs to meet the unserved needs of migrant children residing in their area. To facilitate broader services, some provisions are delivered through statewide models, which in particular, are designed to meet the credit accrual and informational needs of students.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	6,971.6	6,833.1	6,833.1
Subprogram Total	6,971.6	6,833.1	6,833.1
FTE Positions	4.5	5.5	5.4

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide training and technical assistance for teachers and school administrators.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of students identified as migrant in Arizona.	N/A	N/A	Baseline	+1
● Percentage of migrant education programs demonstrating implementation of Arizona Academic Standards.	N/A	N/A	Baseline	+1

◆ Goal 2 - To encourage schools to implement innovative and exceptional practices.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of migrant students enrolled in GATE programs in grades K-3.	N/A	N/A	Baseline	+1

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of migrant students enrolled in AP and baccalaureate programs.	N/A	N/A	Baseline	+1
● Percentage of migrant students enrolled in AIMS intervention and dropout prevention programs.	N/A	N/A	Baseline	+1

◆ Goal 3 - To monitor and ensure improvements in academic achievement for migrant students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of migrant students meeting or exceeding Arizona Academic Standards in reading.	N/A	N/A	Baseline	+1
● Percentage of migrant students meeting or exceeding Arizona Academic Standards in mathematics.	N/A	N/A	Baseline	+1

EDA.4.3 SUBPROGRAM SUMMARY  
**INDIAN EDUCATION**

Contact: Sandra Hopkinson, Deputy Associate Superintendent  
Phone: (602) 542-7463  
A.R.S. § 15-205, P.L. 103-382, 25CFR273

**Subprogram Mission:**

*To provide leadership and assistance to schools for the development of programs meeting the academic needs of American Indian students.*

**Subprogram Description:**

The Indian Education subprogram uses state and federal funds to maximize teaching and learning levels while validating the culture and linguistic identity of American Indian students and adults and to promote general public understanding of Indian education. Through programs funded by the U.S. Department of Education and Bureau of Indian Affairs, the subprogram's activities include publications, school districts/tribal supplementary education assistance, and a variety of public education and outreach activities.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	47.9	158.8	158.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	391.8	497.9	497.9
Subprogram Total	439.7	656.7	656.7
FTE Positions	1.9	2.0	2.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide training and technical assistance for teachers and school administrators.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of Native American education programs demonstrating implementation of Arizona Academic Standards.	N/A	N/A	Baseline	+1

◆ Goal 2 - To encourage schools to implement innovative and exceptional practices.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of Native American students enrolled in GATE programs in grades K-3.	N/A	N/A	Baseline	+1
● Percentage of Native American students enrolled in AP and baccalaureate programs.	N/A	N/A	Baseline	+1
● Percentage of Native American students enrolled in AIMS intervention and dropout prevention programs.	N/A	N/A	Baseline	+1

◆ Goal 3 - To monitor and ensure improvements in academic achievement for Native American students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of Native American students meeting or exceeding Arizona Academic Standards in reading.	N/A	N/A	Baseline	+1
● Percentage of Native American students meeting or exceeding Arizona Academic Standards in mathematics.	N/A	N/A	Baseline	+1

EDA.4.4      **SUBPROGRAM SUMMARY**  
**HOMELESS EDUCATION**

Contact: Sandra Hopkinson, Deputy Associate Superintendent  
 Phone: (602) 542-7463  
 P.L. 103-382

**Subprogram Mission:**

*To provide assistance to schools, agencies and the public to ensure homeless children have equal access to public education.*

**Subprogram Description:**

The Stewart B. McKinney Homeless Assistance Act, as amended by the Improving America's Schools Act (1994), requires equal access to education for homeless children and provides funds for state and local activities to provide such access. The Academic Support Division (ASD) develops and implements a state plan for educating homeless children and youth, and provides technical assistance to local education agencies (LEAs) and public and private social service agencies regarding appropriate services for homeless children. The ASD also provides and administers grants to LEAs to provide direct educational and support services to homeless children and youth.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	552.1	827.8	827.8
<b>Subprogram Total</b>	<b>552.1</b>	<b>827.8</b>	<b>827.8</b>
FTE Positions	1.4	0.5	0.5

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide training and technical assistance for teachers and school administrators.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of LEAs with trained homeless liaisons.	N/A	N/A	Baseline	+1

◆ Goal 2 - To encourage schools to implement innovative and exceptional practices.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of homeless students enrolled in GATE programs in grades K-3.	N/A	N/A	Baseline	+1
● Percent of homeless students re-enrolled in AP and baccalaureate programs.	N/A	N/A	Baseline	+1
● Percent of homeless students re-enrolled in AIMS intervention and dropout prevention programs.	N/A	N/A	Baseline	+1

◆ Goal 3 - To monitor and ensure improvements in academic achievement for homeless students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of homeless students meeting or exceeding Arizona Academic Standards in reading.	N/A	N/A	Baseline	+1
● Percentage of homeless students meeting or exceeding Arizona Academic Standards in mathematics.	N/A	N/A	Baseline	+1

**EDA.4.5 SUBPROGRAM SUMMARY  
ENGLISH ACQUISITION SERVICES**

Contact: Irene Moreno, Deputy Associate Superintendent  
Phone: (602) 364-2345  
A.R.S. § 15-751,15 -756, P.L. 103-382

**Subprogram Mission:**

*To assist schools in the provision of services in support of high academic success in English Language Learning (ELL) students.*

**Subprogram Description:**

The English Acquisition Services sub-program is a federal and state-funded program authorized under the No Child Left Behind Act Of 2001 and the federal Civil Rights Act to provide technical assistance to Local Education Agencies (LEAs) for their ELL students. Pursuant to state laws A.R.S. § 15-751 and A.R.S. § 15-7856, each school that has ELL students shall provide programs that give these students English language development and the opportunity to meet the Arizona Academic Standards.

The assistance that the English Acquisition Services unit provides to LEAs consists of the following:

- Providing notification to LEAs of their requirements/responsibilities for compliance under federal and state statutes,
- Providing notification to LEAs of their requirements/responsibilities as described under the Flores decree and with Arizona Department of Education policy,
- Providing methods/technical assistance to LEAs for identifying, assessing, re-assessing, re-classifying and reporting on ELL students,
- Providing information, materials, resources for English Language Immersion models and strategies, and
- Providing professional development opportunities for teachers and administrators to ensure the academic achievement of ELL students through the methodology of English Language Immersion.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,693.8	15,732.5	15,732.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	3,060.0	3,060.0
Federal Funds	6,812.6	17,658.8	14,987.5
<b>Subprogram Total</b>	<b>10,506.4</b>	<b>36,451.3</b>	<b>33,780.0</b>
FTE Positions	9.7	9.1	9.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide training and technical assistance for teachers and school administrators.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of scheduled schools/districts contacted and provided technical assistance.	N/A	10	15	25
● Percent of schools/districts receiving publications/correspondence addressing policy requirements for English Language Immersion.	N/A	55	85	100

- ◆ Goal 2 - To monitor and ensure improvements in academic achievement and English proficiency of English learners.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of English learners in Grades 3, 5 and 8 meeting or exceeding Arizona Academic Standards in reading and mathematics.	N/A	N/A	Baseline	+1
● Percent of English learners in Grades 9-12 meeting or exceeding Arizona Academic Standards in reading and mathematics.	N/A	N/A	Baseline	+1
● Percent of ELL students in grades 3, 5 and 8 re-assessed and reclassified as English-proficient by the end of the school year.	N/A	N/A	Baseline	+1
● Percent of ELL students in grades 9-12 re-assessed and reclassified as English-proficient by the end of the school year.	N/A	N/A	Baseline	+1

**EDA.4.6 SUBPROGRAM SUMMARY  
SPECIAL EDUCATION PROGRAM DEVELOPMENT**

Contact: Joanne Phillips, Deputy Associate Superintendent  
Phone: (602) 542-4013  
A.R.S. § 15-761-762,15-1181-1205

**Subprogram Mission:**

*To promote the development and implementation of quality education for students with disabilities.*

**Subprogram Description:**

This section fosters educational excellence for students with disabilities between the ages of three years and twenty-two years by promoting program improvement to support the achievement of individual student goals, state education standards, and compliance with state and federal 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.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	422.2	738.1	738.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	67.3	866.2	865.9
Federal Funds	6,331.6	7,428.8	7,200.2
<b>Subprogram Total</b>	<b>6,821.1</b>	<b>9,033.1</b>	<b>8,804.2</b>
FTE Positions	71.5	72.6	72.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To advocate and support increased achievement of students with disabilities.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of students with disabilities meeting or exceeding the state academic standards in reading.	24.9	24.9	+1	+1
● Percent of students participating in Arizona's Instrument to Measure Standards (AIMS, including AIMS-A) with or without adaptations.	83	83	+1	+1
● Percent of students with disabilities graduating with a regular high school diploma.	N/A	N/A	Baseline	+1
◆ Goal 2 - To ensure compliance with state and federal special education statutes and regulations..				

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of public education agencies demonstrating compliance with monitoring deficiencies within two years.	81	66	83	84
● Percent of special education corrective action items completed within required timelines.	84	77	80	82
◆ Goal 3 - To provide effective educational opportunities for professionals and parents of children with disabilities.				

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Average score of participants evaluating the benefits of program training (5 point scale).	4.6	4.5	4.6	4.7
● Number of enrollees in Special Education Learning Experience for Competency in Teaching (SELECT) classes.	N/A	N/A	Baseline	+1
● Number of special education teachers placed through the Arizona Education Employment Board.	N/A	N/A	Baseline	+1

EDA.4.7 SUBPROGRAM SUMMARY  
**SPECIAL EDUCATION ASSISTANCE TO SCHOOLS**  
 Contact: Joanne Phillips, Deputy Associate Superintendent  
 Phone: (602) 542-4013  
 A.R.S. § 15-1181-1205

**Subprogram Mission:**

*To promote the development and implementation of quality education for students with disabilities through the allocation, distribution and monitoring of federal and state funds.*

**Subprogram Description:**

The primary activity that supports this subprogram is funds management. The section distributes formula-driven grants, focused-issue grants and state-appropriated funds. Grants are monitored through amendments, completion reports, cash management reports, audits and other reporting requirements as identified in specific awards.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	27,600.9	30,127.6	31,653.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	28,084.4	29,555.5	31,081.0
Federal Funds	111,141.2	111,762.6	111,837.8
Subprogram Total	166,826.5	171,445.7	174,572.2
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the effectiveness of the grant process.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of days from state receipt of the grant award to public education agency notification.	N/A	N/A	Baseline	+5
● Number of public education agencies funded with paperwork reduction grants.	N/A	N/A	Baseline	+1

EDA.4.8 SUBPROGRAM SUMMARY  
**LEA GRANTS & SCHOOL IMPROVEMENT (TITLE I)**  
 Contact: Nancy Konitzer, Deputy Associate Superintendent  
 Phone: (602) 542-7470  
 P.L. 107-110

**Subprogram Mission:**

To provide assistance and funds to educational providers to increase academic achievement for at-risk students.

**Subprogram Description:**

The Local Educational Agencies (LEAs) Grants and School Improvement subprogram provides assistance and administers funds under the No Child Left Behind Act of 2001. Title I, Part A of the NCLB provides financial assistance to local educational agencies to meet the needs of educationally disadvantaged students at the preschool, elementary and secondary school levels to help all students achieve the Arizona's Academic Standards. Title I supports supplemental programs that can consist of instructional services, instructional support services, delivery of services to eligible students in non-school sites, schoolwide reform efforts and increased involvement of parents in their children's education. Title I, Part D provides assistance and administers funds to state agencies and LEAs that serve neglected or delinquent students and/or those students at risk of dropping out of school.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	417.4	884.2	884.2
Federal Funds	208,400.6	280,411.9	271,697.7
<b>Subprogram Total</b>	<b>208,818.0</b>	<b>281,296.1</b>	<b>272,581.9</b>
FTE Positions	37.7	41.0	42.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide training and technical assistance for teachers and school administrators, especially those in school improvement.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of school districts or charter schools represented at consolidated program trainings.	N/A	N/A	Baseline	+1
● Number of schools that participate in professional development activities.	N/A	N/A	Baseline	+1
● Percent of participants in school improvement professional development workshops that rate activities positively.	N/A	N/A	Baseline	+1
● Percent of paraprofessionals who are qualified.	N/A	38	39	40

- ◆ Goal 2 - To monitor and ensure improvements in academic achievement for Title 1 students (aggregate and by subgroups).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Title 1 students meeting or exceeding Arizona Academic Standards in reading.	N/A	N/A	Baseline	+1
● Percent of Title 1 students meeting or exceeding Arizona Academic Standards in mathematics.	N/A	N/A	Baseline	+1

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Title 1 schools meeting state's definition of adequate yearly progress (AYP).	N/A	55	+1	+2

- ◆ Goal 3 - To improve customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of days required to provide allocations to providers.	40	38	40	40
● Percent of applications processed within sixty days.	98	98	98	98

EDA.4.9 SUBPROGRAM SUMMARY  
**SCHOOL TO WORK**  
 Contact: Milton Ericksen, Deputy Associate Superintendent  
 Phone: (602) 542-5212  
 R7-2-301

**Subprogram Mission:**

To provide leadership and support for schools preparing students for transition from school to careers.

**Subprogram Description:**

Represents the statewide Career and Technical Education (CTE) programs that prepare all students with job-related and academic competencies. CTE is designed to prepare individuals for continuing education and transition to employment in current or emerging occupations. Programs at the secondary level provide technically trained high school graduates for current and emerging occupations in the workplace. The CTE Division coordinates service for vocational technical research, curriculum adaptation/adoption and dissemination, professional development, evaluation, and seamless transition for students to post secondary education and employment. The federal Carl D. Perkins Vocational and Technical Education Act of 1998 provides direct services through funded projects for program improvement and Tech Prep. The CTE curriculum design is based on a coherent sequence of instruction and reflects labor market trends in Arizona. Professional development improves instructional techniques and strategies, promotes partnerships with business and industry, and provides state-of-the-art occupational skill and on-the-job experience for teachers. A unique component of the CTE program is a focus on student achievement of high academic standards, career development, and technical skills, demonstrated by specific performance measures and indicators.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	11,560.3	11,754.1	11,754.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	35.0	39.9	39.9
Federal Funds	25,848.1	26,086.5	26,086.5
<b>Subprogram Total</b>	<b>37,443.4</b>	<b>37,880.5</b>	<b>37,880.5</b>
FTE Positions	51.6	51.6	51.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the rate of students' transitioning from school to the workforce and/or advanced educational

opportunities

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of CTE concentrators meeting or exceeding the reading and writing standards as measured on AIMS.	60.0	66.0	67.0	68.0
● Percent of those completing the program placed after graduation.	65.4	66.5	67.5	68.5

◆ Goal 2 - To provide timely and accurate state and federal funding allocations to schools/districts.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of working days allocation notifications sent to districts after receipt of official federal grant award letter or July 1st, whichever is later.	95	90	85	80

◆ Goal 3 - To increase professional development and training opportunities to CTE administrators and teachers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of CTE administrators and teachers implementing new skills received from CTE training.	N/A	N/A	50	55

EDA.4.10 SUBPROGRAM SUMMARY  
**GIFTED EDUCATION**

Contact: Sandra Hopkinson, Deputy Associate Superintendent  
Phone: (602) 542-7463  
A.R.S. § 15-761, 15-764, 15-770,

with gifted programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of districts implementing gifted end-of-the-year evaluation scale.	N/A	N/A	Baseline	+1
● Percentage of students receiving college tuition waivers and honors diplomas based on selection criteria that includes AIMS test scores.	N/A	N/A	Baseline	+1
● Percentage of GATE students enrolled in full-time (self contained) GATE programs.	N/A	N/A	Baseline	+1

◆ Goal 2 - To encourage schools to implement innovative and exceptional practices.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of minority students enrolled in GATE programs in grades K-3.	N/A	N/A	Baseline	+1
● Number of districts using alternative identification models that mitigate traditionally exclusionary language barriers to GATE identification.	N/A	N/A	Baseline	+1

EDA.4.11 SUBPROGRAM SUMMARY  
**WORKFORCE DEVELOPMENT**

Contact: Milton Ericksen, Deputy Associate Superintendent  
Phone: (602) 542-5212

**Subprogram Mission:**

*To provide services and assistance to the educational community and the public so that gifted students reach higher levels of academic achievement.*

**Subprogram Description:**

The Gifted Education subprogram provides assistance to schools providing education to gifted students. It ensures compliance with state requirements for the appropriate identification procedures of gifted students, and curriculum and instruction for students who have been identified as gifted.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,262.5	1,301.4	1,301.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	40.3	4.4	4.4
Federal Funds	0.0	0.0	0.0
Subprogram Total	1,302.8	1,305.8	1,305.8
FTE Positions	2.0	2.0	2.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide training and technical assistance to schools

**Subprogram Mission:**

To support training providers and assist clients and students preparing for the work force.

**Subprogram Description:**

The Workforce Development subprogram 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 the education, employment, and training systems.

	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	3,326.4	3,870.9	3,491.3
Subprogram Total	3,326.4	3,870.9	3,491.3
FTE Positions	8.1	8.2	8.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase training opportunities for students.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of displaced homemakers prepared to enter the workforce.	80	82	84	N/A

- ◆ Goal 2 - To enhance the service now provided directly to providers and One-Stop personnel.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of times staff will present the Training Expo.	N/A	2	3	4
● Percentage of respondents reporting implementation of training or utilizing web enhancements.	N/A	N/A	70	75

EDA.4.12 SUBPROGRAM SUMMARY  
**ADULT EDUCATION**

Contact: Karen Liersch, Deputy Associate Superintendent  
 Phone: (602) 258-2410  
 A.R.S. § 15-232, 15-234, 15-702

**Subprogram 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.

**Subprogram Description:**

Adult Education is a learner-centered, interactive process which 1) Values and supports the individual in defining and achieving personal goals, and 2) Develops and improves basic and life skills in the community, family and workplace.

Adult learners are at least 16 years of age and are not enrolled or required to be enrolled in secondary school. Adult learners participate in instruction in one or more of the following areas: English Language Acquisition; Adult Basic Education; Adult Secondary Education, including GED Preparation; Civics including Citizenship Test Preparation; and Basic computer literacy skills.

	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	4,409.7	4,438.2	4,438.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	15.2	23.8	23.8
Federal Funds	6,946.1	9,544.5	9,544.5
Subprogram Total	11,371.0	14,006.5	14,006.5
FTE Positions	13.5	15.0	15.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide strategic capacity-building to enable Arizona's Adult Education delivery system to demonstrate continually increasing effectiveness.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of Adult Education providers reviewed through a desk audit to provide technical assistance and ensure compliance with regulations.	100	100	100	100

- ◆ Goal 2 - To ensure compliance with state and federal statutes and regulations, the Arizona State Plan for Adult Education and other contractual obligations.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of Adult Education providers monitored that meet or exceed quality indicators.	N/A	N/A	65	70
● Percent of GED Testing Centers monitored that meet or exceed quality indicators.	N/A	N/A	Baseline	+5

- ◆ Goal 3 - To provide timely and accurate information, resources and services to meet the needs of our customers.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percentage of duplicate GED transcripts provided in a 24-hour period.	N/A	N/A	90	91



EDA.4.13 SUBPROGRAM SUMMARY  
**FAMILY LITERACY**

Contact: Karen Woodhouse, Deputy Associate Superintendent  
Phone: (602) 364-3750  
A.R.S. § 15-191

**Subprogram Mission:**

*To break the intergenerational cycle of illiteracy and its impacts on families with young children.*

**Subprogram Description:**

Arizona Family Literacy programs bring parents and their young children together in an interactive learning setting that holistically addresses their needs. Children participate in age appropriate activities geared to improve reading readiness and to prepare them for success in school. Parents gain academic preparation in basic skills, language acquisition and workforce readiness as well as strength in parenting skills. Through intensive, intergenerational activities, families make sustainable changes and learn to value the legacy of literacy.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,002.1	1,002.1	1,002.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.6	0.6
Federal Funds	3,472.2	3,397.0	3,363.8
Subprogram Total	4,474.3	4,399.7	4,366.5
FTE Positions	3.1	2.4	2.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the effectiveness of family literacy programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of parents achieving educational gains.	76	51	67	70
● Percent of parents achieving employment goals.	77	80	82	85
● Percent of children demonstrating readiness to enter preschool as measured by the Pre-K Success assessment.	60	60	65	70

Health and Nutrition and School Safety and Prevention. The Child Health and Nutrition Programs provides federal funds and food to public, private and Bureau of Indian Affairs schools and eligible child care organizations. The funds are used to ensure children are adequately fed and support a healthy school environment. The School Safety and Prevention programs provide both federal and state funds for 350 school districts and charter schools to implement effective prevention and safety programs.

**This Program Contains the following Subprograms:**

- ▶ Child Nutrition
- ▶ Chemical Abuse Prevention
- ▶ School Safety

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,299.9	7,591.5	7,591.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	6,738.1	9,252.4	9,252.4
Federal Funds	225,196.8	252,634.1	221,025.1
Program Total	239,234.8	269,478.0	237,869.0
FTE Positions	42.3	41.9	41.9

EDA.5.1 SUBPROGRAM SUMMARY  
**CHILD NUTRITION**

Contact: Lynn Dulin, Deputy Associate Superintendent  
Phone: (602) 542-8709  
A.R.S. § 15-1151 to 15-1158

EDA.5 PROGRAM SUMMARY  
**STUDENT HEALTH AND SAFETY**

Contact: Lynne Dulin, Deputy Associate Superintendent  
Phone: (602) 542-8709  
7C.F.R. Part 210, 215, 220, 225, 226, 227

**Program Mission:**

*To support schools and organizations in promoting the health and safety of students.*

**Program Description:**

The Student Services Division consists of two programs; Child

**Subprogram Mission:**

To support schools and organizations in developing and maintaining healthy eating habits in children, students and adults by providing resources, training, safe and wholesome products.

**Subprogram Description:**

The Child 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 and compliance reviews are conducted to ensure nutrition integrity and fiscal accountability as prescribed by the United States Department of Agriculture. The seven Child Nutrition Programs include: National School Lunch, School Breakfast, Special Milk, Summer Food Service, Child and Adult Care Food Programs, and Food Distribution. 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.

- ◆ Goal 3 - To increase participation in Summer Food Service program and in the processing of USDA commodities.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Average daily participation of Summer Food programs.	1,421	1,410	1,525	1,601
• Percentage of sponsors processing commodities.	20	25	30	35

EDA.5.2 SUBPROGRAM SUMMARY  
**CHEMICAL ABUSE PREVENTION**  
 Contact: Lynne Dulin, Deputy Associate Superintendent  
 Phone: (602) 542-8709  
 A.R.S. § 15-345, 15-712

**Subprogram Mission:**

To support schools in implementing programs that promote positive student behavior.

**Subprogram Description:**

The Chemical Abuse Prevention subprogram funds support the Tobacco, Alcohol and Other Drug (TAOD) prevention programs. The federal program, Safe and Drug Free Schools and Communities (SDFSC), is a part of the No Child Left Behind Act (NCLB). The Arizona Department of Education (ADE) has written a consolidated six year state plan to the United States Department of Education which includes these programs. Public input was solicited from a variety of sources, including the Governor's Office of Drug Policy. School districts write one consolidated six year plan for all programs included in the NCLB Act. The NCLB plan indicates how all programs provide for students' academic achievement, and a safe and drug free school environment.

**Funding and FTE Amounts:** (\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	755.5	796.3	796.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	889.8	1,029.9	1,029.9
Federal Funds	5,875.2	6,977.9	6,793.9
Subprogram Total	7,520.5	8,804.1	8,620.1
FTE Positions	12.5	8.8	8.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide quality customer service with continual improvement..

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Percent of schools that state that the on-line Safe and Drug Free Schools Report is easy to use.	N/A	83	85	87

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	95.8	94.5	94.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	312.0	347.6	347.6
Federal Funds	219,321.6	245,656.2	214,231.2
Subprogram Total	219,729.4	246,098.3	214,673.3
FTE Positions	26.8	30.1	30.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number of schools complying with the nutrition standards for healthy school meals.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Percent of sponsors planning menus which meet the revised nutrition standards during annual SMI reviews.	28	30	32	33

- ◆ Goal 2 - To increase assistance to sponsors of the Child and Adult Care Food and School Nutrition programs.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Percent of School Nutrition Program sponsors passing the Coordinated Review Effort Performance Standards.	75	70	78	79
• Percent of Child and Adult Care Food Program sponsors complying with revised administrative review requirements.	58	60	70	70
• Percent of Child and Adult Care Food Program sponsors planning menus which meet the regulatory requirements.	79	90	95	95

- ◆ Goal 2 - To ensure that schools meet federal and state requirements for prevention programs and safety.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Safe and Drug Free Schools Program participants that make progress towards their program objectives.	N/A	N/A	50	55
● Percent of public schools with a written policy that protects the rights of students and staff with HIV, as measured by the School Health Education Profiles.	N/A	69	70	70

EDA.5.3 SUBPROGRAM SUMMARY  
**SCHOOL SAFETY**

Contact: Lynne Dulin, Deputy Associate Superintendent  
Phone: (602) 542-8709  
A.R.S. § 15-203, Sec. 25

**Subprogram Mission:**

*To support schools in implementing programs that promote law-abiding behavior of students.*

**Subprogram Description:**

Administration of state funds to those school districts with plans approved by the Joint Legislative Committee on School Safety.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,448.6	6,700.7	6,700.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	5,536.3	7,874.9	7,874.9
Federal Funds	0.0	0.0	0.0
Subprogram Total	11,984.9	14,575.6	14,575.6
FTE Positions	3.0	3.0	3.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the capacity of educators to create safe schools through the provision of coordinated, effective professional development.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of school safety program officers attending a beginning or advanced Law Related Education Academy.	N/A	34	50	60
● Percent of students in selected schools that respond that they feel safer because of the officers presence.	N/A	65	65	67

- ◆ Goal 2 - To provide quality customer service with continual improvement.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of schools that state that the on-line Safe and Drug Free Schools Report is easy to use.	N/A	83	85	87

EDA.6 PROGRAM SUMMARY  
**SUPPORT SERVICES**

Contact: Tacy Ashby, Deputy Superintendent  
Phone: (520) 364-2339  
A.R.S. Title 15

**Program Mission:**

*To provide operational support and information to the Arizona Department of Education and to the public.*

**Program Description:**

Internal and external support services include public information, communication, management information systems, technology support and funds which are passed through to external entities.

**This Program Contains the following Subprograms:**

- ▶ Public Information/Communication
- ▶ Management Information Services
- ▶ Other Education Support

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,359.9	2,300.7	2,300.7
Other Appropriated Funds	593.8	653.7	653.7
Other Non-Appropriated Fund	76.7	50.2	50.2
Federal Funds	23,337.5	13,989.1	10,611.7
Program Total	26,367.9	16,993.7	13,616.3
FTE Positions	40.7	39.3	38.7

EDA.6.1 SUBPROGRAM SUMMARY  
**PUBLIC INFORMATION/COMMUNICATION**

Contact: Brenda Fox-Grey, Director  
Phone: (602) 542-5274  
P.L. 100-77

**Subprogram Mission:**

To provide information about public education to the public.

**Subprogram Description:**

The Constituent Services Office and Public Information Office are 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 subprogram also functions as a channel of information to the Arizona Department of Education, providing the Agency with insight into the educational concerns of the statewide community.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	340.1	461.3	461.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	49.8	43.9	43.9
<b>Subprogram Total</b>	<b>389.9</b>	<b>505.2</b>	<b>505.2</b>
FTE Positions	10.0	9.0	9.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase media coverage of the services and programs of the Arizona Department of Education.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of press releases generated.	N/A	N/A	Baseline	+1
● Number of scheduled Superintendent media appearances and interviews.	N/A	N/A	Baseline	+1

- ◆ Goal 2 - To increase the quality and amount of information about the agency and Arizona education provided to constituents and the public.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of constituent letters responded to within one (1) week.	N/A	N/A	Baseline	+1
● Number of newsletters produced and distributed.	N/A	N/A	Baseline	+1
● Number of Department of Education website "hits" (in thousands).	59,406	N/A	100,000	120,000

**Subprogram Mission:**

To provide customers with accurate, timely information in support of their decision making process.

**Subprogram Description:**

The Management Information Systems (MIS) subprogram maintains an effective information technology resource for the efficiency and effectiveness of Arizona Department of Education (ADE) business operations. MIS maintains internal and external networks for the exchange of information, and provides technical assistance to assure that all ADE customers are proficient and self-sufficient. Schools and districts are guided and supported in their use of technology to improve both administration and instruction. Through information technology, systems are created and the most effective methods are employed to gather, store, and share data. Up-to-the-minute, accurate information is provided for decision-making and reporting needs in detail for the Department of Education, and in summary for educators, the Legislature, federal reporting and the public.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,438.3	1,257.8	1,257.8
Other Appropriated Funds	593.8	653.7	653.7
Other Non Appropriated Fund	27.8	0.0	0.0
Federal Funds	9,103.0	9,897.4	9,829.8
<b>Subprogram Total</b>	<b>11,162.9</b>	<b>11,808.9</b>	<b>11,741.3</b>
FTE Positions	29.1	28.7	28.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the use of information technology as a management tool.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of data marts being used as management tools by agency units.	N/A	N/A	Baseline	+1
● Percent reduction in average downtime of Internet servers.	N/A	N/A	Baseline	+1
● Percent reduction in average downtime of messaging services.	N/A	N/A	Baseline	+1

- ◆ Goal 2 - To increase service to internal and external customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of internal customers satisfied with Management Information Services.	N/A	N/A	Baseline	+1
● Percent of LEA customers satisfied with SAIS functionality and performance.	N/A	N/A	Baseline	+1

- ◆ Goal 3 - To provide training and technical assistance to internal and external customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of SAIS training sessions provided to LEA's.	N/A	N/A	Baseline	+1

EDA.6.2 SUBPROGRAM SUMMARY  
**MANAGEMENT INFORMATION SERVICES**

Contact: Hayford Gyampoh, Director  
 Phone: (602) 542-7886  
 P.L. 100-77

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent reduction in average time necessary to satisfy external (SAIS) user help requests.	N/A	N/A	Baseline	+1
● Percent reduction in average time necessary to satisfy internal user help requests.	N/A	N/A	Baseline	+1

EDA.6.3 SUBPROGRAM SUMMARY  
**OTHER EDUCATION SUPPORT**

Contact: Brenda Fox-Gray, Director  
Phone: (602) 542-3710  
P.L. 100-77

**Subprogram Mission:**

*To distribute funding for educational outreach services.*

**Subprogram Description:**

The Other Education Support subprogram provides external support and assistance for educational outreach services which include the following programs: Academic Contests, Arizona Geography Alliance, Arizona School Services through Educational Technology (ASSET), Arizona Humanities Council, Arizona Academic Decathlon, U.S. Senate Youth Leadership Program, the National Science Camp, Education Programs for Schools, Robert C. Byrd Scholarship Program, School Performance Incentive Program, Christa McAuliffe Fellowship, Troops to Teachers, and Milken-Tap-Advancement.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	581.5	581.6	581.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	48.9	50.2	50.2
Federal Funds	14,184.7	4,047.8	738.0
Subprogram Total	14,815.1	4,679.6	1,369.8
FTE Positions	1.6	1.6	1.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the process of distributing funds.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of payments processed within ten working days after receiving appropriate funds.	98	TBD	100	100
● Percent of payments distributed to Byrd Scholarship recipients within ten (10) days.	100	TBD	100	100

EDA.7 PROGRAM SUMMARY  
**ADMINISTRATION**

Contact: Tacy Ashby, Deputy Superintendent  
Phone: (602) 364-2339  
A.R.S. Title 15

**Program Mission:**

*To ensure the efficient and effective operation of the department in order to provide quality customer service.*

**Program Description:**

The Administration program provides agency leadership and direction through the Superintendent's Office and internal operations support through Administrative Services.

**This Program Contains the following Subprograms:**

- ▶ Superintendent's Office
- ▶ Administrative Services
- ▶ Licensure/Certification and Professional Growth

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,989.7	2,816.4	2,816.4
Other Appropriated Funds	1,074.7	1,304.4	1,304.4
Other Non-Appropriated Fund	2,913.0	4,939.1	4,939.3
Federal Funds	89.5	131.9	0.0
Program Total	8,066.9	9,191.8	9,060.1
FTE Positions	120.2	124.3	123.3

EDA.7.1 SUBPROGRAM SUMMARY  
**SUPERINTENDENT'S OFFICE**

Contact: Tom Horne, Superintendent  
Phone: (602) 542-5460  
P.L. 100-77

**Subprogram Mission:**

*To provide leadership, promote academic excellence and ensure fiscal and academic accountability in public education.*

**Subprogram Description:**

The Arizona Department of Education operates under the direction of the Superintendent of Public Instruction to provide direct services to 247 locally governed school districts, and 296 Charter Schools operating at 431+ sites, and to execute the policies of the State Board of Education and the State Board of Vocational and Technological Education. The Department provides training, school improvement assistance, evaluation, dissemination of information and administration, and allocation of funds. The Department also serves as the primary source of current, reliable and accurate information on the status and needs of the public school system.

EDA.7.2                      SUBPROGRAM SUMMARY  
**ADMINISTRATIVE SERVICES**

Contact: Vicki Salazar, Associate Superintendent  
 Phone: (602) 364-3139  
 P.L. 100-77

**Subprogram Mission:**

*To provide effective, efficient, and consistent financial, procurement, and human resource services to the Agency, schools, and other governmental entities.*

**Subprogram Description:**

The Administrative Services subprogram is responsible for providing financial, procurement, and human resource support services to the Agency. Financial services include budgeting, accounting, grants management, and audit functions. Procurement services include contracts management, purchasing, facilities, and central 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, policies and procedures.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	696.7	822.9	822.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	696.7	822.9	822.9
FTE Positions	11.2	11.2	11.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase communication and collaboration with a variety of stakeholders in supporting the goals of the department.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of different individuals participating on Superintendent's advisory committees.	N/A	N/A	Baseline	+10

- Number of policy/legislative related initiative correspondence sent to stakeholders.                      N/A                      N/A                      Baseline                      +5

- ◆ Goal 2 - To promote and recognize school innovation and excellence to motivate and well as improve student achievement.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of schools participating in department special initiatives.	N/A	N/A	Baseline	+1
● Number of Arizona schools recognized as a best practice school.	N/A	N/A	Baseline	+1

- ◆ Goal 3 - To improve employee and customer satisfaction.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of department employees satisfied with their jobs.	N/A	N/A	Baseline	+1
● Percent of employees satisfied with training and professional development opportunities.	N/A	N/A	Baseline	+1
● Percent of customers satisfied with agency's service.	N/A	N/A	Baseline	+1

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,958.1	1,993.5	1,993.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	2,913.0	4,936.1	4,936.3
Federal Funds	0.0	0.0	0.0
Subprogram Total	5,871.1	6,929.6	6,929.8
FTE Positions	78.0	88.1	88.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of customers satisfied with Contracts Management services.	N/A	N/A	Baseline	+1
● Percent of customers satisfied with Budget Office services.	N/A	N/A	Baseline	+1
● Percent of customers satisfied with Human Resources/Payroll services.	N/A	N/A	Baseline	+1
● Percent of customers satisfied with Central Distribution services.	N/A	N/A	Baseline	+1
● Percent of customers satisfied with Purchasing Office services.	N/A	N/A	Baseline	+1
● Percent of customers satisfied with Facilities services.	N/A	N/A	Baseline	+1
● Percent of customers satisfied with Grants Management services.	N/A	N/A	Baseline	+1
● Percent of customers satisfied with Accounting services.	N/A	N/A	Baseline	+1

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of customers satisfied with Print Shop services.	N/A	N/A	Baseline	+1

◆ Goal 2 - To improve the effectiveness of the audit process by assisting in reducing the amount of school/district findings and/or problems.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of sub-recipient single audit findings resolved in a timely manner.	15	20	25	30
● Percent of schools with second year ADM findings.	29	28	23	18
● Percent of processes automated in the calculation of indirect cost rates for schools.	0	0	50	60

EDA.7.3 SUBPROGRAM SUMMARY  
**LICENSURE/CERTIFICATION AND PROFESSIONAL GROWTH**  
 Contact: Kathleen Wiebke, Deputy Associate Superintendent  
 Phone: (602) 364-2294  
 A.R.S. Title 15, Article 8

**Subprogram Mission:**

*To implement the necessary components of NCLB as well as ensure applicant qualifications and student safety are achieved through evaluation and investigation of educational personnel.*

**Subprogram Description:**

The Highly Qualified Unit implements Title II of NCLB Federal Legislation. The Certification subprogram consistently and accurately enforces the State Board of Education rules and regulations and state statutes governing the certification of professional educators in the State; issues appropriate certificates and evaluation reports to applicants for certification in a timely manner; investigates and coordinates certification complaints through the Professional Practices Advisory Committee and/or hearing officers and through the State Board of Education in a professional and timely manner. This unit also provides on-going professional development for teachers, paraprofessionals, and administrators and oversees the implementation of Title IID: Instructional Technology to Increase Student Achievement.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	334.9	0.0	0.0
Other Appropriated Funds	1,074.7	1,304.4	1,304.4
Other Non Appropriated Fund	0.0	3.0	3.0
Federal Funds	89.5	131.9	0.0
Subprogram Total	1,499.1	1,439.3	1,307.4
FTE Positions	31.0	25.0	24.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To increase professional development opportunities for teachers and principals.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of professional development opportunities provided to teachers and principals.	N/A	10	15	20
● Percent of school districts educated on victim reduction strategies.	N/A	30	40	50

◆ Goal 2 - To improve customer service for educators.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Maximum number of days to process complete applications for certification services.	N/A	20	17	14
● Percent of customers satisfied with Certification services.	N/A	N/A	Baseline	+1

◆ Goal 3 - To improve the quality of Arizona's teacher and administrator assessments.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of applicants successfully passing professional content and knowledge certification examinations.	N/A	78	80	82

◆ Goal 4 - To reduce barriers and offer alternative pathways to entry into the teaching profession.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of teachers who achieve certification through alternative pathways.	N/A	N/A	500	1,000



**AGENCY SUMMARY  
ARIZONA HISTORICAL SOCIETY**

Anne I. Woosely, Ph. D., Executive Director HIA  
 Contact: William Ponder, Chief Administrative Officer (520) 628-5774  
 A.R.S. § 41-821(A)

**Agency Mission:**

To collect, preserve, interpret, and disseminate the history of Arizona, the West, and northern Mexico, as it pertains to Arizona.

**Agency Description:**

The Society is a membership supported, nonprofit, state trust agency. It is governed by a policy-making board, comprised of 31 individual members, elected from the membership and representing each county in the state. The board-designated organizational structure consists of seven divisions, four of which have museums that directly support the mission of the Society by collecting, preserving, interpreting, and disseminating historical materials. These 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 Publications Division supports the mission by producing the Journal of Arizona History, various historical books, and by maintaining the general editorial standards of written materials for the Society. 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. The Field Services Division supports 57 historical societies in disseminating Arizona history. The Society also supports other board-approved community activities that relate to its mission.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,192.3	3,367.0	3,548.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	1,094.4	1,005.0	1,296.9
Federal Funds	83.1	7.9	0.0
<b>Agency Operating Funds Total</b>	<b>5,369.8</b>	<b>4,379.9</b>	<b>4,845.6</b>
FTE Positions	62.5	59.9	59.9

**Strategic Issues**

**Strategic Issue Number: 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.

**Strategic Issue Number: 2**

*Collections Management*

Acquiring, accessioning, cataloging, conserving, researching, storing, and de-accessioning historical materials (objects, photographs, and documentary materials).

**Strategic Issue Number: 3**

*Facilities*

To continually upgrade and maintain AHS public facilities.

**Strategic Issue Number: 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.

**Strategic Issue Number: 5**

*Automation*

To provide high quality, efficient information technology for the AHS in order to better serve the public

**Agency Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of linear feet of archives processed sufficient to provide public access in the fiscal year.	652	676	680	684
● Percent of three dimensional collections available to the public.	92	94	95	96

- ◆ Goal 2 - To interpret and disseminate the history of Arizona for a broad general audience.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of public programs.	204	204	214	220
● Public program attendance.	283,453	287,432	312,507	328,132
● Number of public inquiries.	168,721	172,856	200,000	225,000
● On-site public attendance at local historical societies and museums (in thousands).	2,060	1,800	2,125	2,150
● Number of museum visitors and researchers.	169,810	154,100	180,000	185,000
● Number of volunteer hours.	23,809	60,000	61,000	63,000
● Administration as a percent of total cost.	17.7	21.5	17.0	17.0





**AGENCY SUMMARY**  
**BOARD OF MEDICAL STUDENT LOANS**

Tim B. Hunter, M.D., Chairperson  
Contact: Maggie Gumble, Program Coordinator Senior  
A.R.S. § 15-1721 to 1726

MSA  
(520) 626-7145

**Agency Mission:**

To recruit physicians to provide service to rural and other medically underserved areas, medically underserved populations, and Indian reservations in Arizona, by providing substantial funding in educational loans to students at colleges of medicine in Arizona.

**Agency Description:**

The Board of Medical Student Loans consists of eight members who make decisions necessary for the operation of the program. Needy medical students are given preference for funding and Arizona residency is required. Each year of eligible service as a physician results in one academic year of loans forgiven, with a minimum two-year service commitment. The University of Arizona College of Medicine provides staff at no charge to the Board to arrange Board meetings, prepare reports to the Board, collect repayments, coordinate service placement with the Arizona Department of Health Services and the Board, and prepare the annual report and state budget requests. Midwestern University/AZ College of Osteopathic Medicine and the University of Arizona College of Medicine both provide services at no cost to publicize and coordinate the student application and interview process, coordinate the funding process, and track the participants. Board members serve with no remuneration and cover their own travel expenses to attend Board meetings. Vital to the success of the program is the cooperation and assistance provided by the Arizona Department of Health Services.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	283.4	0.0	0.0
Other Appropriated Funds	13.2	330.6	296.6
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	296.6	330.6	296.6
FTE Positions	0.0	0.0	0.0

**Strategic Issues**

**Strategic Issue Number: 1**

*To increase the number of physicians providing service to rural and other medically underserved areas, medically underserved populations, and Indian reservations in Arizona*

Key agency goals are to provide physicians to needy areas in Arizona and to increase that number to assist in alleviating the shortage of physicians who will serve in designated eligible areas. Our only source of funding is from State appropriations and the agency has been impacted by the economic crisis in Arizona and the reduction of appropriated funds to the Board of Medical Student Loans. Since 1995-1996, the Board was able to contract with 16 students per year who were willing to make a life-changing decision early in their medical education to become primary care physicians serving needy areas in Arizona. Since the program began in 1978, 47 physicians who have completed their service obligations provided a combination of over 134 years of medical care to the medically underserved in Arizona. In 2002-2003, there were 27 of those physicians continuing to provide care in eligible service sites after their service commitment was met. Many of them have established long-term practices

at these locations. Also in 2002-2003, there were an additional 17 physicians who received funds as students and who were serving their commitment. The Board has had to reduce the number of students to 13 for FY 2004 and expects to reduce the number funded to 11 for FY 2005. Funding decisions made for the next two years will impact the number of physicians made available in the year 2011 and beyond, due to the lengthy training period to become a licensed physician.

**Strategic Issue Number: 2**

*To successfully recruit and retain students to participate in the program by providing substantial funding of educational costs to medical students.*

For the graduating Class of 2002, the average amount borrowed from educational loan programs by students graduating with debt from the University of Arizona College of Medicine was \$92,058. Students who graduated with debt from the Arizona College of Osteopathic Medicine averaged \$126,693. It is imperative that the loan amount provided students by the Board of Medical Student Loans cover a substantial portion of their costs of education. The financial support during medical school helps students from incurring excessively high debt levels from educational loans which can make it difficult for new physicians to practice primary care in an underserved location. Many of the students participating in the Arizona Medical Student Loan Program are older students with families and have much higher costs than the average single medical student. Due to the reduction of our appropriation from the State, and in order to maintain the loan at about 89% of the average annual cost of public medical education in Arizona, we will need to reduce the number of students on the program from 16 in FY 2002 to 11 in FY 2005.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To successfully recruit and retain students to participate in the program by providing substantial funding of educational costs to medical students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Loan provided to each student (in thousands of dollars).	21.9	22.8	25.4	26.9
● Maximum loan amount (percent) allowed by law provided to each student (by State Appropriation).	99	86	92	93
● Loan as a percent of average annual cost of public medical education.	86	85	88	89
● Administration as a per cent of total cost.	0.0	0.0	0.0	0.0

- ◆ Goal 2 - To provide physicians to rural and other medically underserved areas, medically underserved populations, and Indian reservations located in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students funded per year.	16	13	13	11
● Percent of student participants progressing toward/achieving medical degree.	95	100	100	100
● Student participants achieving MD or DO degree.	7	1	4	5

- ◆ 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.

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Physicians in service.	14	17	15	17
• Cumulative percent of physicians providing service under the old and/or new law.	62	64	64	66
• Cumulative percent of physicians providing service under the old law.	57	58	57	57
• Cumulative percent of physicians providing service who have contracts under the new law.	100	100	96	96
• Physicians continuing service after service requirement is met.	20	27	28	31



**AGENCY SUMMARY  
NORTHERN ARIZONA UNIVERSITY**

Dr. John Haeger, President NAA  
 Contact: Pat Haeuser, Planning & Inst.  
 Research, Director  
 A.R.S. § 15-1601 et seq.

**Agency Mission:**

To provide an outstanding undergraduate residential education program strengthened by important research and graduate programs and sophisticated methods of distance delivery.

**Agency Description:**

Northern Arizona University has a rich history of service to the State of Arizona, the broad expanse of the Colorado Plateau, and to the nation. It is with this strong tradition that the institution looks to the future in its strategic planning. The vision of Northern Arizona University's future is excellence in the core mission to provide an exceptional undergraduate residential education. Emanating from and enhancing the core undergraduate center are a nationally-recognized, focused set of traditional graduate education and research programs, and an innovative and effective choice of programs and delivery systems that address education demands throughout Arizona.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ UNDERGRADUATE PROGRAMS	62,421.7	60,670.3	71,960.4
➤ GRADUATE PROGRAMS	23,040.6	22,671.0	26,485.8
➤ STUDENT SUPPORT	72,061.6	77,685.2	76,613.0
➤ ACADEMIC SUPPORT SERVICES	18,945.7	18,928.7	19,926.6
➤ RESEARCH AND PUBLIC SERVICE	42,999.2	44,227.7	45,568.4
➤ INSTITUTIONAL ADVANCEMENT	2,963.4	2,907.4	3,050.8
➤ INSTITUTIONAL OPERATIONS	65,427.2	69,753.0	74,811.0
Agency Total	287,859.4	296,843.3	318,416.0

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	110,980.3	110,980.3	125,678.5
Other Appropriated Funds	25,566.6	26,189.7	30,550.6
Other Non-Appropriated Fund	108,163.0	115,959.9	117,901.3
Federal Funds	43,149.5	43,713.4	44,285.6
Agency Operating Funds Total	287,859.4	296,843.3	318,416.0
FTE Positions	3,377.2	3,390.4	3,433.7

**Strategic Issues**

**Strategic Issue Number: 1**

*Maintain and enhance undergraduate educational excellence in a residential learning community.*

Superior undergraduate education on the Mountain campus lies at the center of all that NAU stands for and seeks to accomplish. NAU offers a student-centered undergraduate education distinguished by small classes,

close interaction between professors and students, and a friendly, supportive, active campus environment. As emphasized in Changing Directions, Northern Arizona University will build in the future on this strength in undergraduate education. Strategies that further this goal include instructional initiatives underway to provide improved advising for entering students, to better prepare entering first-year students for academic success, to assess program effectiveness, to increase undergraduate involvement in research, and to improve student services. Future directions for NAU also include developing a joint legislative agenda with community colleges to provide more four-year educational opportunities and facilities in rural areas. Equally important strategies involve major construction and renovation projects. Buildings and infrastructure improvements will dramatically improve instruction, research, and residential living and learning facilities. Construction of a new College of Business Administration which will provide student centered spaces, community learning spaces, and state of the art computer learning labs is one example of Northern Arizona University's capital planning efforts. Additional detail is outlined in another strategic issue discussion that focuses on revitalizing NAU's buildings and infrastructure.

**Strategic Issue Number: 2**

*Increase and manage enrollment*

Northern Arizona University must improve its diversity, accessibility, and graduation rates through targeted attention to recruitment, retention, and changes in the market for programs and certificates in Arizona's metropolitan and rural areas. After growing rapidly from 1984 to 1995, NAU's growth slowed, and for the past several years enrollment has hovered just below 20,000 students. During that time, the university experienced a decline in enrollment at the mountain campus; however students taking classes from statewide sites and in Yuma doubled between 1990 and 2002 to over 6,000. Enrollment growth and management continues to be a top University priority. Initiatives to grow the Mountain Campus include restructuring student recruitment, admissions and retention offices and strategies. NAU's strategies to recruit and retain students incorporate the continuing implementation of a new, more powerful, electronic student administration system, reallocating resources to recruit a more diverse student body, developing techniques to identify prospective students who are the best fit for the Mountain Campus, and recruiting them aggressively. In addition, partnerships are being formed with a variety of campus, community and educational entities that will contribute to increasing enrollment on the Mountain Campus. An equally important part of Northern Arizona University's five year plan is to build enrollment and increase revenue through Distance Learning. NAU will increase its web, video and on-site program delivery to rural and urban Arizona residents as well as to expand its activity in professional market niches. It will seek to work cooperatively with community colleges to provide place bound community college students a chance to complete their four-year degrees. NAU will continue to develop and refine student support services provided on-site and via technology to maintain competitiveness by improving distance student experiences and learning outcomes.

**Strategic Issue Number: 3**

*Increase research, graduate education and economic development*

Research and graduate education are inextricably linked to NAU's undergraduate mission because they allow Northern Arizona University to attract high quality faculty and students and to sustain a stimulating and productive intellectual environment. NAU currently offers graduate students 46 masters degrees, 9 doctoral degrees, and 11 certificates. NAU intends to continue to expand statewide delivery of graduate and professional programs that add to Arizona's economic development by addressing critical workforce shortages. Examples include post baccalaureate degree and certificate programs in teacher education, engineering, information technology, business, nursing and other health professions. Northern Arizona University will also build on its already substantial research program, which more than doubled extramural awards to over \$50 million from 1999 to 2002. As compared with its peers nationally, NAU's research award performance is notable. NAU undergraduate and graduate students benefit from working with nationally

and internationally recognized environmental and bioscience researchers. NAU's rich heritage of applied research and public service bridges the gap between academic disciplines and real problems bringing benefits to citizens and communities. The region, state, and nation are served by many active research centers which are addressing critical ecological and economic issues associated with fire and forest management, bacterial pathogens, sustainable community development, global climate change, and tribal environmental quality. Other research centers and institutes address the human dimension through externally funded public service programs. NAU seeks to continue to grow its research and economic development mission. Strategies include generating patents and licenses of intellectual property and new business spin-offs that will contribute to the economic development of Northern Arizona communities and the state. Specifically, NAU will engage in the construction and development of a new applied research and development building; partnerships in research initiatives such as Translational Genomics Research Institute (TGen); and strengthening research in the Sustainable Systems, Bioengineering, Communications, and Information technology platforms as recommended in the Battelle Institute report Positioning Arizona and Its Research Universities: Science and Technology Core Competencies Assessment, April 2003.

**Strategic Issue Number: 4**

*Invest in the teacher preparation and health profession pipeline; expand the supply of Arizona professionals in high demand markets*

Northern Arizona University intends to continue to expand its offerings of high demand post-baccalaureate and certificate programs, as well as selected undergraduate programs in Phoenix, Tucson and other metropolitan areas in the West. NAU will also develop partnerships with Arizona Regents University, Arizona State University, the University of Arizona, and Arizona community colleges to deliver excellent, affordable workforce-development programs when and where they are needed. NAU will build on its Master's of Science in Management, accelerated B.S. in Nursing and Fast-Track Teacher Certification degrees by offering programs that use bachelor's degrees in multiple disciplines to provide a short-term path to different careers. NAU is committed to offering courses and programs on community college campuses to provide greater access to four year degrees and to address needs in high-demand degree-completion programs. Growing workforce shortages in health care delivery and elementary and secondary education were highlighted as critical concerns of task forces such as Arizona At Risk. NAU already educates many professionals for high demand markets such as teacher preparation and allied health professions, but increased or new funding sources are required to expand capacity in these programs, which require a high level of support per student. Northern Arizona University, in support of the Arizona Biomedical Collaborative (ABC) goals, continues to plan to expand the nursing programs. The programs included are the accelerated program as well as the BS program. In attempting to address ABC's highest educational priority, NAU has worked on the tri-university proposal for the Governor's WIA Discretionary Funding to expand registered nursing training in Arizona's Community Colleges and Universities. NAU's ability to enlarge its programs, however, depends on new funding sources such as a state budget decision package, contributions from the health care industry, and expanded private and federal support. Significant program expansion would require facility expansion, funds for new and existing nursing faculty salaries, and operations support.

**Strategic Issue Number: 5**

*Improve compensation in order to attract and retain productive faculty and staff*

Compared to faculty salaries at institutions of a similar size and complexity everywhere in the country, NAU's salaries rank at the bottom of the list. The Annual Personnel Report for the Arizona University System, October 2003, shows Northern Arizona University's faculty salaries are at the 5th percentile for all faculty ranks compared with its approved peer institutions. NAU was at the 19th percentile in 2000, dropped to the 7th percentile in 2001, and dropped further to the 5th percentile the last two years. Average peer salaries are 20% higher than NAU's average salary, and 15 of the 17 comparator universities pay higher average salaries than NAU. The low salaries are directly responsible for the loss of faculty who

have developed their teaching and research skills to their most productive level. Every year, distressing numbers of NAU's best and brightest leave for salaries that can not be matched. NAU's graduate and research programs are select in number but extremely high in quality, and faculty in these programs are nationally or internationally known in their fields. These professors in turn attract and mentor the junior faculty. Retention of these faculty members is critical to maintaining university and program excellence. Retention is not only economically sound, it also directly impacts the performance of the institution and ultimately the performance and employment opportunities of Arizona graduates. Low salaries also hinder recruitment of excellent faculty who are willing to join NAU. Compounding the difficulty, young faculty must relocate to an area with very high housing costs and a higher cost of living than the rest of Arizona and most of the country. Each year NAU loses many bright prospects because the university cannot offer competitive salaries. Non-teaching professional and classified staffs also suffer serious salary deficiencies. A.R.S. § 41-763-01 requires the Arizona Board of Regents annually to submit a report on university personnel to the Governor and the Legislature. In November 1996, the board adopted a plan to restore competitiveness to university salaries; this plan was designed to raise the average salaries of employees to the 50th percentile/market average. NAU's five-year plan incorporates the funding required by that report, as well as the Competitive Salary Request in the Fiscal Year 2004-2005 State Budget Request.

**Strategic Issue Number: 6**

*Revitalize Northern Arizona University's buildings and infrastructure*

NAU's deferred maintenance status as of June 30, 2003 was estimated at \$147,280,793 (note 2), with a facility condition index of .27 (note 3) The facility condition index identifies ten buildings that are in such poor shape that they should not be renovated, and another 33 buildings that have significant infrastructure problems. Additionally, by ABOR guidelines, NAU's space management analysis shows a shortage of research, laboratory and office space. However, House Bill 2529, the research infrastructure bill, and a system revenue bond issuance in 2004 provide Northern Arizona University with the opportunity to address some of these enormous deferred maintenance needs. Northern Arizona University, like all other state agencies, has received no State Appropriated Building Renewal for the last three fiscal years (FY02, FY03, FY04). The combined request for these three years would require over \$21 million dollars. The fiscal year 05 request is \$7.7 million. Funding of the building renewal formula is especially important to NAU, because climatic conditions in Flagstaff create significant challenges to facilities maintenance. These include heavy snowfall, multiple freeze/thaw cycles and increased exposure to ultraviolet light. Finally, Northern Arizona University's infrastructure also includes its information technology resources. Go-live implementation of the new integrated administrative system began in FY2003, but work to utilize fully this major systems upgrade will continue over the next several years. NAU will also transition the video delivery of courses and programs from Interactive Instructional Television (IITV) to video delivery via new digital technologies, and evaluate upgrades to the financial and accounting system (Advantage), to the e-learning software system (WebCT), and to telephone switches. Upgrades to these aspects of the campus technology infrastructure are essential to the continued operation of those systems as well as to meeting the expanding technological requirements of faculty, staff and students. (Note 2) Estimates of infrastructure deferred maintenance remain a separate issue, and will require the implementation of a new system to review and measure the backlog. Current estimates of infrastructure deferred maintenance are approximately \$330 million. (Note 3) The facilities condition index (FCI) is a ratio of the estimated deferred maintenance to the estimated building replacement value. An FCI less than 0.05 is an indication that facilities are in "good" condition. An FCI greater than 0.15 is an indication of facilities that are at risk for failure or non-functionality if significant renovation or replacement does not occur soon.

NAA.1 PROGRAM SUMMARY  
**UNDERGRADUATE PROGRAMS**

Contact: Pat Haeuser, Director  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**Program Mission:**

*To strengthen undergraduate educational excellence in a residential learning community.*

**Program Description:**

Superior undergraduate education on the Mountain Campus lies at the center of all that NAU stands for and seeks to accomplish. Other aspects of our mission will ground our work in the excellent residential teaching and learning experiences.

**This Program Contains the following Subprograms:**

- ▶ Overall Undergraduate Instruction
- ▶ Undergraduate Instruction - Mountain Campus
- ▶ Undergraduate Instruction - Statewide Academic Programs
- ▶ Undergraduate Academic Advising

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	35,917.2	33,250.0	40,764.7
Other Appropriated Funds	19,369.4	19,841.6	23,145.5
Other Non-Appropriated Fund	7,135.1	7,578.7	8,050.2
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>62,421.7</b>	<b>60,670.3</b>	<b>71,960.4</b>
FTE Positions	1,001.0	1,004.9	1,017.7

**Subprogram Mission:**

*To strengthen undergraduate educational excellence in a residential learning community.*

**Subprogram Description:**

Superior undergraduate education on the Mountain Campus lies at the center of all that NAU stands for and seeks to accomplish. Other aspects of our mission will ground our work in the excellent residential teaching and learning experiences.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase academic excellence in programs.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Enrollment in the Honors Programs.	648	603	650	650
● Percentage of full-time, undergraduate students enrolled per semester in three or more primary courses with ranked faculty.	93	93	90	90
● Number of Bachelor degrees granted.	2,873	2,778	2,875	2,875
● Percent of graduating seniors who rate their overall university experience as good or excellent.	96	97	95	95
● Average number of years taken to graduate for students who began as freshmen.	4.7	4.5	4.5	4.5

NAA.1.1 SUBPROGRAM SUMMARY  
**OVERALL UNDERGRADUATE INSTRUCTION**

Contact: Pat Haeuser, Director  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

NAA.1.2 SUBPROGRAM SUMMARY  
**UNDERGRADUATE INSTRUCTION - MOUNTAIN CAMPUS**

Contact: Pat Haeuser, Director  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To strengthen undergraduate educational excellence in a residential learning community.*

**Subprogram Description:**

NAU offers a student-centered undergraduate education distinguished by small classes, close interaction between professors and students, and a friendly, supportive and active campus environment. Class sizes average 21-26 students. Recent studies confirm that Northern Arizona University seniors meet and exceed both peer and national norms and expected outcomes derived from the characteristics of entering students (National Study of Student Engagement).

As emphasized in Changing Directions, Northern Arizona University will build in the future on its strength in undergraduate education. New initiatives that further this goal include major construction and renovation projects. Buildings and infrastructure improvements will dramatically improve instruction, research, and residential living and learning facilities. Other efforts to reinvigorate the Mountain Campus include creating a distinctive identity for Northern Arizona University and upgrading way-finding signage. Equally important, instructional initiatives are underway to assess program effectiveness, increase undergraduate involvement in research, prepare entering freshmen for academic success, and enhance student services. Future directions for NAU include developing a joint legislative agenda with community colleges to provide more four-year programs and facilities in rural areas.

NAA.1.3 SUBPROGRAM SUMMARY  
**UNDERGRADUATE INSTRUCTION - STATEWIDE ACADEMIC PROGRAMS**  
 Contact: Pat Haeuser, Director  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To provide leadership in the development, use, and assessment of technologies in educational programs.*

**Subprogram Description:**

An equally important part of Northern Arizona University's five year plan is to build enrollment and increase revenue through Distance Learning. NAU will increase its web, video and on-site program delivery to rural and urban Arizona residents as well as to expand its activity in professional market niches. It will seek to work cooperatively with community colleges to provide place bound community college students a chance to complete their four-year degrees. NAU will continue to develop and refine student support services provided on-site and via technology to maintain competitiveness by improving distance student experiences and learning outcomes.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,596.9	3,181.2	4,060.6
Other Appropriated Funds	2,497.6	2,558.5	2,984.5
Other Non Appropriated Fund	1,883.7	2,000.8	2,125.3
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>7,978.2</b>	<b>7,740.5</b>	<b>9,170.4</b>
FTE Positions	115.8	116.3	117.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide a rich learning environment with exposure to diverse populations and cultures for all students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of undergraduate ethnic minority student enrollment in undergraduate programs.	28	30	35	35

- ◆ Goal 2 - To provide access to higher education learning experiences for qualified Arizona residents.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Arizona residents enrolled in undergraduate programs.	2,274	2,469	2,500	2,500
• Bachelor degrees granted to statewide students.	304	406	400	400

Fiscal Year 2003 data reflects a change in software reporting process to the People Soft program. Numbers may show slight increase or decrease due to the conversion.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	24,298.2	21,489.8	27,429.7
Other Appropriated Funds	16,871.8	17,283.1	20,161.0
Other Non Appropriated Fund	4,689.9	4,981.5	5,291.4
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>45,859.9</b>	<b>43,754.4</b>	<b>52,882.1</b>
FTE Positions	741.9	744.8	754.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To integrate more completely undergraduates into research-related activities including senior thesis, integrated capstone, independent study, and research-related internships.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of undergraduate degree recipients in research-related or capstone experience.	86	88	90	90

- ◆ Goal 2 - To provide a rich learning environment with exposure to diverse populations and cultures for all students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of students enrolling in study abroad programs.	1.6	1.8	1.8	1.9
• Increase the number of historically underrepresented ethnic students.	2,506	2,486	2,500	2,525

Data reflects a change in software reporting process to the People Soft program. Numbers may show slight increase or decrease due to the conversion.

• Increase the number of International students.	274	309	325	325
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**NAA.1.4 SUBPROGRAM SUMMARY  
UNDERGRADUATE ACADEMIC ADVISING**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To strengthen undergraduate educational excellence in a residential learning community.*

**Subprogram Description:**

NAU offers a student-centered undergraduate education distinguished by small classes, close interaction between professors and students, and a friendly, supportive and active campus environment. Class sizes average 21-26 students. Recent studies confirm that Northern Arizona University seniors meet and exceed both peer and national norms and expected outcomes derived from the characteristics of entering students (National Study of Student Engagement).

Instructional initiatives are underway to assess program effectiveness, increase undergraduate involvement in research, prepare entering freshmen for academic success, and enhance student services.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	8,022.1	8,579.0	9,274.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	561.5	596.4	633.5
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>8,583.6</b>	<b>9,175.4</b>	<b>9,907.9</b>
FTE Positions	143.3	143.9	145.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide quality advising to students for their academic needs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of alumni satisfied with academic advising.	87	87	85	85
● Percentage of graduating seniors very satisfied or satisfied with academic advising in major.	69	78	80	80

- ◆ Goal 2 - To improve retention and timely graduation rates.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of student persistence (first-time, full-time Freshmen).	67	69	70	70
● Percent of students graduating (6-year for first-time, full-time freshmen).	45	46	46	46

- ◆ Goal 3 - To provide quality advising for students for their career needs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of alumni satisfied with advising to meet career goals.	83	83	83	83
● Graduating senior satisfaction with advising to meet career goals.	69	72	74	75

**NAA.2 PROGRAM SUMMARY  
GRADUATE PROGRAMS**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Program Mission:**

*To strengthen graduate education, economic development and research.*

**Program Description:**

Research and graduate education are inextricably linked to NAU's undergraduate mission because they allow Northern Arizona University to attract high quality faculty and students and to sustain a stimulating and productive intellectual environment. NAU currently offers graduate students 44 masters degrees, 9 doctoral degrees, and 12 certificates.

**This Program Contains the following Subprograms:**

- ▶ Overall Graduate Instruction
- ▶ Graduate Instruction - Mountain Campus
- ▶ Graduate Instruction - Statewide Academic Programs
- ▶ Graduate Academic Advising

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	11,481.6	10,627.8	13,031.1
Other Appropriated Funds	6,197.2	6,348.1	7,405.1
Other Non-Appropriated Fund	5,361.8	5,695.1	6,049.6
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>23,040.6</b>	<b>22,671.0</b>	<b>26,485.8</b>
FTE Positions	341.5	342.8	347.2

**NAA.2.1 SUBPROGRAM SUMMARY  
OVERALL GRADUATE INSTRUCTION**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To strengthen graduate education, economic development and research.*

**Subprogram Description:**

Research and graduate education are inextricably linked to NAU's undergraduate mission because they allow Northern Arizona University to attract high quality faculty and students and to sustain a stimulating and productive intellectual environment. NAU currently offers graduate students 44 masters degrees, 9 doctoral degrees, and 12 certificates.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	0.0	0.0	0.0
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To build an Infrastructure for graduate education.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Graduate degrees awarded at the Master's level.	1,924	1,911	1,950	1,950
● Graduate degrees awarded at the Doctoral level.	38	42	40	40
● Graduate degrees awarded-first professional category.	77	42	42	42

**Subprogram Mission:**

*To strengthen graduate education, economic development and research.*

**Subprogram Description:**

Research and graduate education are inextricably linked to NAU's undergraduate mission because they allow Northern Arizona University to attract high quality faculty and students and to sustain a stimulating and productive intellectual environment. NAU currently offers graduate students 44 masters degrees, 9 doctoral degrees, and 12 certificates.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,248.6	3,757.6	4,796.2
Other Appropriated Funds	2,950.2	3,022.1	3,525.2
Other Non Appropriated Fund	621.1	659.7	700.8
Federal Funds	0.0	0.0	0.0
Subprogram Total	7,819.9	7,439.4	9,022.2
FTE Positions	132.8	133.3	135.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To offer programs which meet needs for graduate level instruction, such as teacher education or advanced professional training.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Graduate student enrollments in Master's level programs.	1,820	1,751	1,800	1,800
● Graduate student enrollments in Doctoral level programs.	512	506	500	500

- ◆ Goal 2 - To improve educational opportunities and financial assistance opportunities for graduate students from underrepresented ethnic minority groups.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of graduate ethnic minority student enrollment in master's programs.	25	20	21	21
● Percent of graduate ethnic minority student enrollment in doctoral programs.	18	15	18	18

NAA.2.2 SUBPROGRAM SUMMARY  
**GRADUATE INSTRUCTION - MOUNTAIN CAMPUS**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

NAA.2.3 SUBPROGRAM SUMMARY  
**GRADUATE INSTRUCTION - STATEWIDE ACADEMIC PROGRAMS**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601



**Subprogram Mission:**

*To strengthen graduate education, economic development and research.*

**Subprogram Description:**

NAU intends to continue to expand statewide delivery of graduate and professional programs that address Arizona's critical workforce shortages. Examples include post baccalaureate degree and certificate programs in teacher education, engineering, information technology, business, nursing and other health professions.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,676.0	4,135.6	5,278.7
Other Appropriated Funds	3,247.0	3,326.0	3,879.9
Other Non Appropriated Fund	4,619.2	4,906.4	5,211.7
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>12,542.2</b>	<b>12,368.0</b>	<b>14,370.3</b>
FTE Positions	163.2	163.8	165.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To offer graduate programs which meet needs for graduate level instruction, such as teacher education or advanced professional training.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Graduate student enrollments in Master's level programs.	4,483	4,917	5,000	5,000
● Graduate student enrollments in Doctoral level programs.	85	124	130	130
● Graduate degrees granted.	1,215	1,367	1,300	1,300

- ◆ Goal 2 - To improve educational opportunities and financial assistance opportunities for graduate students from underrepresented ethnic minority groups.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of graduate ethnic minority student enrollment in master's programs.	25	25	27	27
● Percent of graduate ethnic minority student enrollment in doctoral programs.	27	19	20	20

NAA.2.4 SUBPROGRAM SUMMARY  
**GRADUATE ACADEMIC ADVISING**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To strengthen graduate education, economic development and research.*

**Subprogram Description:**

Research and graduate education are inextricably linked to NAU's undergraduate mission because they allow Northern Arizona University to attract high quality faculty and students and to sustain a stimulating and productive intellectual environment. NAU currently offers graduate students 44 masters degrees, 9 doctoral degrees, and 12 certificates. NAU intends to continue to expand statewide delivery of graduate and professional programs that address Arizona's critical workforce shortages. Examples include post baccalaureate degree and certificate programs in teacher education, engineering, information technology, business, nursing and other health professions.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,557.0	2,734.6	2,956.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	121.5	129.0	137.1
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,678.5</b>	<b>2,863.6</b>	<b>3,093.3</b>
FTE Positions	45.5	45.7	46.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide appropriate advising to graduate students for their academic and career needs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Master's students completing degree in three years.	72	70	72	72

NAA.3 PROGRAM SUMMARY  
**STUDENT SUPPORT**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Program Mission:**

*To increase and manage enrollment.*

**Program Description:**

Northern Arizona University will improve its diversity, accessibility, and graduation rates through targeted attention to recruitment, retention, and changes in the market for programs and certificates in Arizona's metropolitan and rural areas.

**This Program Contains the following Subprograms:**

- ▶ Overall Student Support
- ▶ Learning Support For Students - Mountain Campus
- ▶ Learning Support For Students - Statewide Programs
- ▶ Minority Recruitment, Retention, and Graduation
- ▶ Athletics

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

General Funds	8,508.9	9,751.5	10,376.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	51,231.5	55,489.3	53,667.6
Federal Funds	12,321.2	12,444.4	12,568.8
<b>Program Total</b>	<b>72,061.6</b>	<b>77,685.2</b>	<b>76,613.0</b>
FTE Positions	454.4	456.2	462.0

**NAA.3.2 SUBPROGRAM SUMMARY**  
**LEARNING SUPPORT FOR STUDENTS - MOUNTAIN CAMPUS**

Contact: Pat Haeuser, Director  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**NAA.3.1 SUBPROGRAM SUMMARY**  
**OVERALL STUDENT SUPPORT**

Contact: Pat Haeuser, Director  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To increase and manage enrollment.*

**Subprogram Description:**

Northern Arizona University will improve its diversity, accessibility and graduation rates through targeted attention to recruitment, and changes in the market for programs and certificates in Arizona's metropolitan and rural areas.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To meet admissions and registration processing demands.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Undergraduate students admitted.	12,794	11,786	11,786	11,786
● Graduate students admitted.	4,750	5,217	5,300	5,300

- ◆ Goal 2 - To assist students in the transitions associated with the university experience by providing orientation activities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Preview participants Freshmen students.	2,235	2,157	2,200	2,250
● Preview participants Transfer students.	489	225	300	300
● Offsite preview participants.	80	46	50	50

**Subprogram Mission:**

*To strengthen undergraduate educational excellence in a residential learning community.*

**Subprogram Description:**

Northern Arizona University seeks to promote academic and personal success. Within the university and the communities we serve, we partner to provide student-centered program and services, valuing student learning, diversity and responsible citizenship.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,008.6	6,425.7	6,946.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	44,752.0	50,014.0	48,251.4
Federal Funds	8,871.3	8,960.0	9,049.6
<b>Subprogram Total</b>	<b>59,631.9</b>	<b>65,399.7</b>	<b>64,247.6</b>
FTE Positions	357.5	358.9	363.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide a premier residential living experience for students choosing to live on campus.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Residence Life yearly average occupancy.	89	85	80	80
● Ratio of computer stations per resident in halls.	1/31	1/31	1/31	1/31

- ◆ Goal 2 - To assist students in cultural, physical, and social development/wellness by providing services, activities, and events.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total use/participation: Recreation Center visits.	242,534	218,140	220,000	220,000
● Students use/participation: Fronkse Health Center visits.	47,249	45,731	46,000	46,000
● Students use/participation: Wall Aquatic Center.	39,915	38,986	39,000	39,000
● Students use/participation: Counseling Center visits.	1,066	5,793	4,000	4,000
● Students use/participation: Outdoor recreation.	3,825	3,456	3,500	3,670
● Students use/participation: Intramural participants.	10,695	10,721	10,800	10,800
● Multicultural Programs.	147	140	140	140

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students use/participation: Multicultural participants.	4,750	4,250	4,300	4,230

◆ Goal 3 - To support student learning by providing financial support services to qualified students within the specific limitations of the financial aid system.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Financial aid applications processed.	20,899	20,877	21,712	21,712
● Students receiving financial aid by categories: Scholarships.	4,457	4,567	4,613	4,613
● Students receiving financial aid by categories: Waivers.	3,398	2,739	2,766	2,766
● Students receiving financial aid by categories: Grants.	4,038	4,127	4,540	4,540
● Students receiving financial aid by categories: Employment.	4,453	4,141	4,182	4,182
● Students receiving financial aid by categories: Loans.	6,822	7,018	7,088	7,088
● Students employed in departments.	4,375	4,050	4,091	4,091

**NAA.3.3 SUBPROGRAM SUMMARY  
LEARNING SUPPORT FOR STUDENTS - STATEWIDE PROGRAMS**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To build on our national reputation for excellence in professional programs.*

**Subprogram Description:**

Instructional initiatives are underway to assess program effectiveness, increase undergraduate involvement in research, prepare entering freshmen for academic success, and enhance student services. Future directions for NAU include developing a joint legislative agenda with community colleges to provide more four-year programs and facilities in rural areas.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,202.6	1,286.1	1,390.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,468.3	1,641.0	1,583.2
Federal Funds	3,449.9	3,484.4	3,519.2
Subprogram Total	6,120.8	6,411.5	6,492.7
FTE Positions	36.5	36.7	37.2

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To support student learning by providing financial support services to qualified students within the specific limitations of the financial aid system.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students receiving financial aid by categories: Scholarships.	742	765	773	773
● Students receiving financial aid by categories: Waivers.	279	258	268	268
● Students receiving financial aid by categories: Grants.	551	566	572	572
● Students receiving financial aid by categories: Employment.	49	46	46	46
● Students receiving financial aid by categories: Loans.	1,313	1,357	1,411	1,411

**NAA.3.4 SUBPROGRAM SUMMARY  
MINORITY RECRUITMENT, RETENTION, AND GRADUATION**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To strengthen undergraduate education excellence in a residential learning community and to foster a culture of diversity.*

**Subprogram Description:**

The modern world is characterized by diverse people interacting in a global context. Arizona, with its long-standing Native American cultures and growing Hispanic population, reflects this diverse environment in which students will live and work after graduation. Accordingly, NAU works to create an educational community that facilitates the recruitment, retention, and education of diverse students.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	594.2	559.1	559.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	32.5	36.3	35.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	626.7	595.4	594.1
FTE Positions	11.8	11.8	11.9

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To increase the enrollment rates of Native American students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Increase the number of Native American students.	1,343	1,169	1,300	1,300

◆ Goal 2 - To increase the persistence and graduation rates of underrepresented and ethnic minority groups.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of undergraduate degrees awarded to ethnic minority students.	19	18	20	20

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Increase the one-year retention rates of full-time ethnic minority students.	60	60	61	62
● Increase the six-year graduation rates of full-time ethnic minority students.	31	33	34	35

◆ Goal 3 - To increase enrollment in the Applied Indigenous Studies courses and supporting courses.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Increase course enrollment in the Applied Indigenous Program and supporting courses.	560	658	660	675

NAA.3.5 SUBPROGRAM SUMMARY  
**ATHLETICS**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To strengthen undergraduate education excellence in a residential learning community.*

**Subprogram Description:**

All NAU student-athletes participate in a variety of academic programs to ensure their academic success and progress towards graduation. Beginning with orientation through the graduation reception, NAU is committed to academics and the individual student-athlete's success in the classroom.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	703.5	1,480.6	1,480.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	4,978.7	3,798.0	3,798.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	5,682.2	5,278.6	5,278.6
FTE Positions	48.6	48.8	49.4

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To ensure the athletic programs are committed to academic success of the student-athletes.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of graduation rates for student athletes.	45	50	50	50
● Average GPA for male student athletes.	2.68	2.72	2.75	2.75
● Average GPA for female student athletes.	3.09	3.14	3.15	3.15

◆ Goal 2 - To provide intercollegiate opportunities consistent with proportions in the general student body.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Student athletes.	360	331	331	331
● Sports.	15	15	15	15
● Women's teams.	9	9	9	9
● Men's teams.	6	6	6	6
● Female percentage of student athletes/ female percentage of student populations.	48/57	48/57	48/57	48/57
● Male percentage of student athletes/ male percentage of student populations.	52/43	52/43	52/43	52/43

NAA.4 PROGRAM SUMMARY  
**ACADEMIC SUPPORT SERVICES**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Program Mission:**

*To strengthen undergraduate education excellence in a residential learning community.*

**Program Description:**

NAU offers a student-centered undergraduate education distinguished by small classes, close interaction between professors and students, and a friendly, supportive and active campus environment. Class sizes average 21-26 students. Recent studies confirm that Northern Arizona University seniors meet and exceed both peer and national norms and expected outcomes derived from the characteristics of entering students (National Study of Student Engagement).

**This Program Contains the following Subprograms:**

- ▶ Library
- ▶ Academic Computing
- ▶ Statewide Academic Programs
- ▶ Instructional Support

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	14,342.5	14,039.4	14,733.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	4,603.2	4,889.3	5,193.5
Federal Funds	0.0	0.0	0.0
Program Total	18,945.7	18,928.7	19,926.6
FTE Positions	258.6	259.6	262.9

NAA.4.1 SUBPROGRAM SUMMARY  
**LIBRARY**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To strengthen undergraduate education excellence in a residential learning community and to strengthen graduate education, economic development and research.*

**Subprogram Description:**

The mission of the Cline Library is to support the curricular, research, and community service goals of Northern Arizona University and its constituents. A central learning resource, the Library offers services, instruction, and timely access to information resources and collections.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,339.4	5,480.7	5,480.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	94.6	100.5	106.8
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>6,434.0</b>	<b>5,581.2</b>	<b>5,587.5</b>
<b>FTE Positions</b>	<b>101.9</b>	<b>102.3</b>	<b>103.6</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To develop, improve and manage Library collections which best serve the academic mission of NAU.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Volumes purchased/ replaced.	23,700	13,200	8,000	7,000
● Periodical subscriptions. Increased reliance on internet accessible periodicals and journals.	6,806	2,310	2,100	2,000

- ◆ Goal 2 - To improve access to library information, materials, and instruction.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Periodical titles available electronically to end user.	16,682	17,585	17,700	17,800
● Electronic accesses to the on-line catalog.	241,995	233,965	230,000	225,000
● Percent user satisfaction (obtained by survey).	85	85	85	85

**Subprogram Mission:**

*To provide leadership in the development, use, and assessment of technologies in educational programs.*

**Subprogram Description:**

Academic Computing provides intellectual and technical assistance and access to central computer resources for instructional and research computing at NAU. Intellectual and technical assistance involves working with faculty and students to solve instructional and research computer related problems that do not already have well-formed solutions in place.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,682.8	2,869.0	3,101.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,682.8</b>	<b>2,869.0</b>	<b>3,101.6</b>
<b>FTE Positions</b>	<b>47.3</b>	<b>47.5</b>	<b>48.1</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To develop, improve, and manage access to central computing resources for the NAU academic community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Network connections Students, labs.	6,673	7,240	7,250	7,300
● Percent of student body with e-mail accounts.	89	100	100	100

NAA.4.3 SUBPROGRAM SUMMARY  
**STATEWIDE ACADEMIC PROGRAMS**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

NAA.4.2 SUBPROGRAM SUMMARY  
**ACADEMIC COMPUTING**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To provide leadership in the development, use, and assessment of technologies in educational programs.*

**Subprogram Description:**

An equally important part of Northern Arizona University's five year plan is to build enrollment and increase revenue through Extended Programs. NAU will increase its web, video and on-site program delivery to rural and urban Arizona residents as well as to expand its activity in professional market niches. It will seek to work cooperatively with community colleges to provide place bound community college students a chance to complete their four-year degrees. NAU will continue to develop and refine student support services provided on-site and via technology to maintain competitiveness by improving distance student experiences and learning outcomes.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,488.9	4,800.6	5,189.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,274.0	1,353.1	1,437.3
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>5,762.9</b>	<b>6,153.7</b>	<b>6,626.9</b>
FTE Positions	86.4	86.7	87.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve statewide access to network services, general computing resources, and instructional technology for NAU faculty and students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Remote teaching sites with network access.	29	27	29	29
● IITV sites Statewide Connection Affiliates.	4	4	4	4
● IITV sites Statewide Classrooms.	36	27	29	29

**Subprogram Mission:**

*To strengthen undergraduate education excellence in a residential learning community, to strengthen graduate education, economic development and research, and to build on our national reputation for excellence in professional programs.*

**Subprogram Description:**

Instructional support at Northern Arizona University assists faculty in achieving their full potential as teachers, scholars, and productive members of the University and external communities during all stages of their academic careers.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	831.4	889.1	961.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	3,234.6	3,435.7	3,649.4
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>4,066.0</b>	<b>4,324.8</b>	<b>4,610.6</b>
FTE Positions	23.0	23.1	23.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure faculty expertise and institutional support for technology.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Grants awarded for instruction.	62	47	50	50
● Value of grants awarded for instruction. (in millions).	7.9	6.5	7	7

- ◆ Goal 2 - To provide opportunities for faculty growth and professional development.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of semester sabbaticals.	23	21	28	26
● Number of full year sabbaticals (fiscal).	37	37	25	25
● Financial support for semester sabbaticals (in thousands of dollars).	688.6	636.5	830.7	830.7
● Financial support for full year sabbaticals (fiscal) (in thousands of dollars).	1229.3	1,229.3	783.4	783.4

**NAA.4.4 SUBPROGRAM SUMMARY  
INSTRUCTIONAL SUPPORT**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**NAA.5 PROGRAM SUMMARY  
RESEARCH AND PUBLIC SERVICE**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Program Mission:**

*To strengthen graduate education, economic development and research.*

**Program Description:**

Research and graduate education are inextricably linked to NAU's undergraduate mission because they allow Northern Arizona University to attract high quality faculty and students and to sustain

a stimulating and productive intellectual environment. NAU currently offers graduate students 44 masters degrees, 9 doctoral degrees, and 12 certificates. NAU intends to continue to expand statewide delivery of graduate and professional programs that address Arizona's critical workforce shortages. Examples include post baccalaureate degrees and certificate programs in teacher education, engineering, information technology, business, nursing and other health professions.

**This Program Contains the following Subprograms:**

- ▶ Research
- ▶ Public Service
- ▶ Economic Development

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,300.1	4,598.6	4,971.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	7,870.8	8,360.1	8,880.4
Federal Funds	30,828.3	31,269.0	31,716.8
<b>Program Total</b>	<b>42,999.2</b>	<b>44,227.7</b>	<b>45,568.4</b>
FTE Positions	466.8	468.6	474.6

NAA.5.1 SUBPROGRAM SUMMARY  
**RESEARCH**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To strengthen graduate education, economic development and research.*

**Subprogram Description:**

Research and graduate education are inextricably linked to NAU's undergraduate mission because they allow Northern Arizona University to attract high quality faculty and students and to sustain a stimulating and productive intellectual environment. NAU currently offers graduate students 44 masters degrees, 9 doctoral degrees, and 12 certificates. NAU intends to continue to expand statewide delivery of graduate and professional programs that address Arizona's critical workforce shortages. Examples include post baccalaureate degrees and certificate programs in teacher education, engineering, information technology, business, nursing and other health professions.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,557.5	1,665.6	1,800.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	706.6	750.6	797.3
Federal Funds	30,828.3	31,269.0	31,716.8
<b>Subprogram Total</b>	<b>33,092.4</b>	<b>33,685.2</b>	<b>34,314.6</b>
FTE Positions	359.6	361.1	365.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the amount of external support for research.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• The federal, state and private investments leveraged by Proposition 301 Funds. (in thousands)	7,933.0	8,100.0	8,000.0	8,000.0
• The amount of external, federal and state grants awarded to NAU. (in millions)	50.5	51	51	51

NAA.5.2 SUBPROGRAM SUMMARY  
**PUBLIC SERVICE**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To strengthen graduate education, economic development and research and to be the nation's leading university serving Native Americans.*

**Subprogram Description:**

Northern Arizona University's faculty members, organized in departments, schools, research centers and institutes, act as a catalyst for service programs with various federal, state and local governments, and the private sector. NAU also shares knowledge, technical resources, and cultural and educational opportunities with communities throughout Arizona and the Colorado Plateau.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,471.3	2,642.8	2,857.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	7,161.3	7,606.4	8,079.8
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>9,632.6</b>	<b>10,249.2</b>	<b>10,936.8</b>
FTE Positions	102.4	102.8	104.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To be a partner in the cultural climate of Arizona and the Southwest region.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Concerts, recitals, theatrical performances.	410	410	400	400

- ◆ Goal 2 - To enhance the quality of life in Arizona and the Southwest region.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Participants: Institute for Future Workforce Development.	12,058	12,147	10,000	10,000
• Participants: Speech/Language/Audiology Clinic.	1,241	2,175	2,283	2,397

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Participants: Library-non university borrowers.	3,931	2,740	3,000	3,000

NAA.5.3 SUBPROGRAM SUMMARY  
**ECONOMIC DEVELOPMENT**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To strengthen graduate education, economic development and research.*

**Subprogram Description:**

NAU recognizes and accepts its obligation to serve the interest of the broader community through management development programs, consulting activities, publication of studies vital to the economic development of the area, and professional participation in volunteer organizations.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	271.3	290.2	313.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	2.9	3.1	3.3
Federal Funds	0.0	0.0	0.0
Subprogram Total	274.2	293.3	317.0
FTE Positions	4.8	4.8	4.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure financial stability and growth.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Strategic Partnerships.	33	302	320	320

- ◆ Goal 2 - To increase the workforce development pipeline.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of students added to workforce pipeline.	677	990	1,000	1,050
● Total degrees granted.	4,912	4,773	4,800	4,800

NAA.6 PROGRAM SUMMARY  
**INSTITUTIONAL ADVANCEMENT**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Program Mission:**

*To ensure financial stability and growth.*

**Program Description:**

Institutional Advancement works to increase endowed scholarships,

professorships and educational programs at Northern Arizona University.

**This Program Contains the following Subprograms:**

- ▶ Developmental Activities
- ▶ Alumni Relations

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	793.7	602.8	602.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	2,169.7	2,304.6	2,448.0
Federal Funds	0.0	0.0	0.0
Program Total	2,963.4	2,907.4	3,050.8
FTE Positions	39.9	40.1	40.6

NAA.6.1 SUBPROGRAM SUMMARY  
**DEVELOPMENTAL ACTIVITIES**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To ensure financial stability and growth.*

**Subprogram Description:**

Institutional Advancement works to increase endowed scholarships, professorships and educational programs at Northern Arizona University.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	563.6	448.5	448.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,690.7	1,795.8	1,907.5
Federal Funds	0.0	0.0	0.0
Subprogram Total	2,254.3	2,244.3	2,356.0
FTE Positions	32.6	32.7	33.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number of donors to NAU.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Alumni donors.	4,537	4,891	5,000	5,500
● Faculty and staff donors.	708	665	700	725
● Parent donors.	1,862	1,866	1,900	1,950
● Other organizations donating to NAU.	4,516	4,178	4,500	4,800



- ◆ Goal 2 - To increase NAU's financial resources through private giving.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Contributions by individuals (in thousands).	2,447	2,215	2,500	3,000
● Contributions organizations (in thousands).	14,899	20,469	22,500	23,000
● Total giving (in thousands).	17,346	22,684	25,000	26,000

- ◆ Goal 3 - To decrease the cost per dollar raised.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Operations and salaries expense for each dollar raised.	0.069	0.069	0.069	0.069

NAA.6.2 SUBPROGRAM SUMMARY  
**ALUMNI RELATIONS**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To ensure financial stability and growth.*

**Subprogram Description:**

Alumni relations provide a medium through which alumni can contribute to the welfare of the University in the areas of advocacy, counsel, student recruitment and fund raising. NAU fosters a spirit of commitment and loyalty between alumni and the University; acquaints alumni with the progress and needs of the University; and communicates the needs of the alumni back to the University.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	230.1	154.3	154.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	479.0	508.8	540.5
Federal Funds	0.0	0.0	0.0
Subprogram Total	709.1	663.1	694.8
FTE Positions	7.3	7.4	7.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To strengthen fund raising efforts directed at university alumni.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Contributions from direct mailing contacts to alumni (in thousands).	38	42	45	50
● Contributions from telemarketing contacts to alumni (in thousands).	219	230	240	250
● Matching gifts from alumni (in thousands).	42.5	76	75	80

- ◆ Goal 2 - To coordinate and host alumni chapter gatherings in areas where sufficient numbers of alumni and interest exists.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Chapters.	6	3	3	3
Please note change in communication strategy.				
● Alumni attending meetings.	2,000	1,500	1,500	1,500

- ◆ Goal 3 - To increase the number of addressable alumni in the database relative to the total number of former students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of alumni with known addresses.	86	83	85	85

NAA.7 PROGRAM SUMMARY  
**INSTITUTIONAL OPERATIONS**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Program Mission:**

*To ensure financial stability and growth.*

**Program Description:**

To ensure fiscal vitality, the University will engage in activities and programs leading to stability and growth, and identify priorities to guide resource allocation.

**This Program Contains the following Subprograms:**

- ▶ Facilities Development and Management
- ▶ Resource Management
- ▶ General Oversight

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	35,636.3	38,110.2	41,199.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	29,790.9	31,642.8	33,612.0
Federal Funds	0.0	0.0	0.0
Program Total	65,427.2	69,753.0	74,811.0
FTE Positions	815.1	818.2	828.7

NAA.7.1 SUBPROGRAM SUMMARY  
**FACILITIES DEVELOPMENT AND MANAGEMENT**

Contact: Pat Haeuser, Director  
Phone: (928) 523-7777  
A.R.S. § 15-1601

**Subprogram Mission:**

*To ensure financial stability and growth.*

**Subprogram Description:**

NAU works to provide a safe and healthy campus environment and to protect all University resources. This requires the development and implementation of health and safety programs and policies, provision of cost-effective central services, and improvement of buildings and other University spaces.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	18,546.1	19,833.6	21,441.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	14,180.7	15,062.3	15,999.6
Federal Funds	0.0	0.0	0.0
Subprogram Total	32,726.8	34,895.9	37,440.7
FTE Positions	445.9	447.7	453.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To optimize the use of energy and natural resources.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Tons recycled.	1,100	1,200	1,000	1,000

- ◆ Goal 2 - To improve the physical living, working, and learning environment.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Improvement and building renovations project expenditures (in thousands).	23,606	18,154	37,350	72,500

- ◆ Goal 3 - To offer cost-effective central services supporting university activities.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Post Office services provided (pieces processed), mail facility (in millions).	10	10	11	10.5

NAA.7.2                      SUBPROGRAM SUMMARY  
**RESOURCE MANAGEMENT**

Contact: Pat Haeuser, Director  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To ensure financial stability and growth.*

**Subprogram Description:**

NAU works to provide a safe and healthy campus environment and to protect all University resources. This requires the development and implementation of health and safety programs and policies, provision of cost-effective central services, and improvement of buildings and other University spaces.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	14,575.0	15,586.8	16,850.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	15,542.1	16,508.2	17,535.6
Federal Funds	0.0	0.0	0.0
Subprogram Total	30,117.1	32,095.0	34,385.7
FTE Positions	324.8	326.1	330.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To enhance the safety and the learning/working environment.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● NAU numbers of: Affirmative Action formal and informal complaints, consultations and ADA issues contacts.	2,120	2,104	2,150	2,175
● NAU numbers of: Total visitors assisted by University Ombuds Office.	696	458	200	200
● People served by the Office of Employee Assistance and Wellness.	5,432	4,542	4,872	4,872
● Programs offered by the Office of Employee Assistance and Wellness.	102	81	86	86
● Employees and students attending SAFE working and learning environment policy orientations.	2,100	183	0	0
Program has been eliminated.				
● Presentations given by the NAU police.	183	110	100	100
● People served by Ombuds Office training programs and facilitators.	542	505	125	125
◆ Goal 2 - To increase the use and access to technology to improve efficiency and enhance administrative operations and communications.				
Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of staff with electronic mail accounts.	84	87	87	87

◆ Goal 3 - To optimize use of financial resources through sound financial management practices.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Financial ratios: State Appropriations/ Total Educational and General Expenditures (in percent).	44.85	44.60	46.28	45.24
● Financial ratios: Tuition and Fees/ Total Educational and General Expenditures (in percent).	27.70	28.47	28.19	28.12
● Financial ratios: Total debt service/ unrestricted current fund expenditures and mandatory transfers (in percent).	4.83	6.38	5.49	5.57
● Financial ratios: Available Assets/ General Liabilities (in percent).	4.83	4.10	4.48	4.47
● Internal audits conducted.	10	9	15	15

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● General oversight as a percent of state Operating Budget for NAU.	.93	.90	.91	.94
● Administration as a percent of total cost.	2.14	2.21	2.02	1.89
● Percent of agency staff turnover.	15.75	15.2	15	15



NAA.7.3      **SUBPROGRAM SUMMARY**  
**GENERAL OVERSIGHT**

Contact: Pat Haeuser, Director  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**Subprogram Mission:**  
*To ensure financial stability and growth.*

**Subprogram Description:**  
 NAU works to provide a safe and healthy campus environment and to protect all University resources. This requires the development and implementation of health and safety programs and policies, provision of cost-effective central services, and improvement of buildings and other University spaces.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,515.2	2,689.8	2,907.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	68.1	72.3	76.8
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,583.3</b>	<b>2,762.1</b>	<b>2,984.6</b>
FTE Positions	44.3	44.5	45.1

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To demonstrate responsible management of finances and resources.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Institutional Operations as a percent of State Operating Budget for NAU.	23.72	22.73	22.88	23.49

**AGENCY SUMMARY**  
**COMMISSION FOR POSTSECONDARY EDUCATION**

Dr. April Osborn, Executive Director PEA  
Contact: Dr. April Osborn, Executive Director  
A.R.S. § 15-1851

*to award scholarships to financial needy postsecondary students and a staff person to administer same.*

**Strategic Issue Number: 4**

*Within state general funds constraints, the agency needs to increase its' FTE by 2 staff in order to effectively manage expected growth in scholarships and Arizona 529 Family College Savings Program administration.*

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To be a statewide education agency, focused on unserved and underserved populations in their quest for postsecondary training and education opportunities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent increase in agency's financial aid awardees. <i>Due to budget cutbacks, unable to meet.</i>	3	0	3	3
● Percent of the successful implementation of the agency's strategic plan goals and objectives. <i>Due to budget cutbacks, unable to meet.</i>	85	80	90	95

- ◆ Goal 2 - To assist financially needy Arizona students pursuing a postsecondary educational degree through the Leveraging Educational Assistance Partnership (LEAP) financial aid program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of student awardees. <i>Due to budget cutbacks, less awards with average award increases.</i>	3,805	3,700	3,800	3,800
● Average award amount (in dollars).	739	767	735	735

- ◆ Goal 3 - To survey all "open file" award recipients of the Paul Douglas Teacher Scholarship Program and Arizona Teacher Incentive Program to ascertain their current repayment status.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of students located or students who have completed their teaching requirements.	90	90	90	95
● Percent of increase in students in repayment status.	8	8	8	10

- ◆ Goal 4 - To advise and work with Arizona Education Loan Program (AELP) to ensure that Arizona's postsecondary students retain full access to available student loan capital.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of student borrowers.	131,000	131,500	130,500	131,500

- ◆ Goal 5 - To administer the Arizona Private Postsecondary Education Student Financial Assistance Program (PFAP) by marketing and distributing all available grants in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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**Agency Mission:**

To support and assist Arizona's citizens and educational institutions in education awareness and in preparing students for postsecondary access and achievement through effective policy analysis, communication, and financial aid program administration.

**Agency Description:**

The Commission is comprised of 17 Commissioners, 14 of whom are appointed by the Governor who represent public universities and community colleges, private colleges and proprietary degree-granting institutions, independent and career schools, K-12, and charter schools as well as the general public. The Commission facilitates studies relating to financial aid issues; provides a forum for proprietary, private, and public postsecondary institutions to discuss issues of mutual concern; encourages state policies that reflect the effects of changing enrollments in postsecondary educational sectors; reviews the postsecondary education needs of unserved and underserved populations and heightens awareness of possible solutions to ensure academic K-12 success and postsecondary opportunity through its minority education policy analysis center; provides information to citizens about Arizona postsecondary education opportunities through its early education awareness outreach programs; provides communities a framework for support and advocacy of solutions to the dropout crises through the new stay in school initiative; administers certain federal and state financial aid programs, including the Leveraging Educational Assistance Partnership (LEAP) program and Private Postsecondary Financial Assistance Program (PFAP); advises the State's Guaranteed Student Loan Program, publishes the Arizona College and Career Guide; and oversees the Arizona 529 Family College Savings Program (AFCSP) for the State. The mission is supported through three divisions: Financial Aid Administration, Policy Analysis, and Communications.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,391.3	1,391.3	1,391.3
Other Appropriated Funds	2,122.9	2,797.1	2,797.1
Other Non-Appropriated Fund	344.0	170.5	170.5
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	3,858.2	4,358.9	4,358.9
FTE Positions	4.5	4.5	4.5

**Strategic Issues**

**Strategic Issue Number: 1**

*The commission needs to continue its administration of programs/activities, in a professional and accountable manner, with minimal staff and student interns while seeking an increase in staff and fiscal resources, contingent upon a positive state budget.*

**Strategic Issue Number: 2**

*The commission needs to forge a more widespread public relations campaign directed toward all sectors, including political, in order to share its meaningful output of products and activities which serve the needs of Arizona's citizenry.*

**Strategic Issue Number: 3**

*The commission needs to locate additional revenue sources other than state general funds*

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Student awards (based on 750 dollars per award). <i>Due to budget cuts, unable to meet estimate.</i>	755	449	225	225
● Percent of student repayment. <i>Due to budget cuts, unable to meet estimate.</i>	75	41	80	80
● Percent automation of PFAP interface.	100	100	100	100
◆ Goal 6 - To promote participation in the Arizona Family College Savings Program (AFCSP).				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of account holders.	16,512	27,853	28,000	34,000
◆ Goal 7 - To stimulate statewide discussion, debate, and constructive improvement of Arizona minority students' early awareness, access and achievement in education.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of policy and/or research studies issued.	1	1	1	1
● Number of Stem The Tide (of Arizona's dropouts) forums.	N/R	3	13	15
● Number of regional forums.	2	4	20	20

◆ Goal 8 - To discuss Postsecondary issues through roundtable discussions and public policy forums.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of forums and roundtables held with results to legislature in a timely manner. <i>Due to budget cuts, unable to meet.</i>	1	0	2	2
● Follow-up workshops on possible solutions. <i>Due to budget cuts, unable to meet.</i>	1	0	1	1

◆ Goal 9 - To develop a framework for support and advocacy of solutions to the K-12 dropout crises.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of objectives accomplished in the Stay In School strategic plan.	N/A	N/A	15	11

◆ Goal 10 - To develop, compile, and disseminate information regarding all postsecondary education options available in the State of Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Web Site hits.	28,600	29,153	28,000	30,000

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Arizona College & Career Guides (ACCGs) distributed.	10,000	10,000	10,000	10,000
● Families and high school senior students served.	2,635	2,795	2,814	2,950
● 3rd grade Booklets distributed in English.	15,000	7,000	10,000	10,000
● Number of Arizona College & Career Guide (ACCG) on-line "hits".	11,100	8,000	8,000	8,500
● 3rd grade Booklets distributed in Spanish.	3,000	1,200	1,500	1,000
● Number of conferences held annually.	1	1	1	1
● 7th grade Booklets distributed in English.	15,000	4,000	7,000	7,000
● 7th grade Booklets distributed in Spanish.	1,500	400	1,000	500

◆ Goal 11 - To provide accurate and timely accounting services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of days to deposit receipts/revenues.	2	2	2	2

◆ Goal 12 - To provide a forum to public/private education sectors for discussion of issues of mutual interest and concern.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Redesign of the web page (percentage complete).	15	20	30	30
● Design of the Arizona College & Career Guide (ACCG) web site (percentage complete).	1	1	1	1
● Creation of an online forum (percentage complete).	1	1	1	1
● Create separate domain names for four programs (AFCSP, STAY, ACCG, AMEPAC) (percentage complete).	N/A	N/A	4	4

◆ Goal 13 - To implement the electronic transfer of data between the Commission and participating postsecondary institutions' Financial Aid offices.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Response days to external requests for assistance and information.	1.5	2	2	2
● Response days to all publication requests.	4	3	3	3

◆ Goal 14 - To maintain current level of information technology and essential office equipment maintenance and repairs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of upgrades or replacements anticipated. <i>Due to budget cuts, unable to implement.</i>	0	1	2	2
● Number of maintenance agreements on older equipment.	N/A	N/A	2	2

◆ Goal 15 - To deliver quality Commission services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of good or excellent service ascertained via evaluation surveys.	95	95	95	95

◆ Goal 16 - To increase agency efficiency in external communications by streamlining the Commission's databases.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Outside source to update the organizations (contracts) database. <i>Due to budget constraints, unable to meet.</i>	1	0	1	N/A

◆ Goal 17 - To increase budgetary agency efficiency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Increase agency efficiency via a low administration as a percentage of annual costs.	2.3	4	4	4

◆ Goal 18 - To continue to assist in the development of private to public and private to private postsecondary institution articulation agreements via the Private Postsecondary Sector Articulation Committee in order to promote a more seamless P-20 education system.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Annual report.	N/A	N/A	1	1
● Regional forums on postsecondary articulation.	N/A	N/A	2	2
● Private to public postsecondary articulation agreements (percentage).	N/A	N/A	5	10
● Private to private postsecondary articulation agreements (percentage).	N/A	N/A	3	6



**AGENCY SUMMARY  
PRESCOTT HISTORICAL SOCIETY**

Richard S. Sims, Director  
Contact: Kelley Fields Cabral, Business Manager  
A.R.S. § 41- 831

PHA  
(928) 445-3122

**Agency Mission:**

To research, preserve, and interpret the prehistory, history, and natural history of Arizona, with an emphasis on the central mountain region.

**Agency 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 capitol building. The 3.5 acre landscaped campus includes seven restored historic structures, featuring the territorial Governor's Mansion (1864) and the Victorian-era Bashford House (1878). A modern Museum Center (1978) hosts changing exhibits, a large Archives Library, and collections totaling over 100,000 artifacts and documents. Public programs include the Cowboy Poets Gathering, Folk Arts Fair, Prescott Indian Art Market, Prescott Book Festival, Folk Music Festival, historical reenactments in an outdoor amphitheater, heritage gardens, and education outreach opportunities for children and adults.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	669.9	609.9	609.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	667.9	836.0	1,236.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>1,337.8</b>	<b>1,445.9</b>	<b>1,845.9</b>
FTE Positions	16.0	16.0	16.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Short-term: Understaffed*

To increase state staff by two FTE with the addition of building technicians in FY 2004. The Prescott Historical Society/ Sharlot Hall Museum has acquired new property that will transform from rental space to museum space, and small staff already challenged to keep up with existing buildings (14) and grounds (3 acres). A request for additional staff will appear in the next budget request. Other staff additions include the rehiring of a groundskeeper and custodian.

**Strategic Issue Number: 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.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To increase the service of the Sharlot Hall Museum to the community, the state, and the Southwest.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of people served (includes museum, festival, and theatre attendees; website users; and researchers).	101,000	N/R	99,000	100,000
● Percent of Museum clients pleased with service.	98	98	98	99
● Number of volunteer hours.	17,048	N/R	19,500	21,000
● Number of museum researchers.	2,618	3,341	3,400	3,500

- ◆ Goal 2 - To create innovative educational partnerships in the Prescott area.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Partnerships with other institutions.	15	12	12	10
● Percent of FTE dedicated to maintaining partnerships.	.25	.35	.40	.25
● Revenues gained (dollars) through new partnerships.	5,000	N/R	10,000	8,000

- ◆ Goal 3 - To increase the private, non-state funds through entrepreneurial activities, via the nonprofit organization, such as grant writing, annual giving, membership dues, retail sales, special fees, and new programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Increased private resources (dollars).	593,600	667,900	598,000	598,000
● Number of museum programs resulting from additional revenues.	16	16	17	18

- ◆ Goal 4 - To undergo phased facility expansion, bringing needed square footage for public and non-public uses.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Capital campaign dollars raised to build new square footage (in thousands).	556.7	212.8	200.0	300.0
● Increase in number of dues-paying members.	1,310	957	1,000	1,200
● Work with architect to master plan an additional 40,000 square feet (performance data in square feet).	0	0	15,000	60,000



**AGENCY SUMMARY  
BOARD OF REGENTS**

Dr. Linda J. Blessing, Executive Director BRA  
 Contact: Art Ashton, Asst Exec Director for Strategic Planning (602) 229-2524  
 A.R.S. § 15-1621

**Agency Mission:**

To ensure access for qualified residents of Arizona to undergraduate and graduate instruction; promote the discovery, application and dissemination of new knowledge; extend the benefits of university activities to Arizona's citizens outside the university; and, maximize the benefits derived from the State's investment in education.

**Agency Description:**

The Arizona Board of Regents is the governing body for Arizona's three state universities. Consistent with its constitutional authorities, the Board makes planning and policy decisions regarding the state universities. The Board hires the university presidents and the executive director for the Board, to whom the Board assigns the responsibility of management. The Board acts as 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.

<b>Agency Summary:</b>	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ GOVERNANCE	55,896.2	66,048.6	61,610.5
➤ STUDENT ASSISTANCE	6,378.6	6,721.8	7,367.1
Agency Total	62,274.8	72,770.4	68,977.6

<b>Funding and FTE Summary:</b>	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,424.6	7,561.9	8,791.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	53,810.3	63,962.7	59,469.3
Federal Funds	1,039.9	1,245.8	716.7
Agency Operating Funds Total	62,274.8	72,770.4	68,977.6
FTE Positions	35.0	31.0	31.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Increase Student Participation in University Education*

Includes access to university level education for Arizona citizens, including traditionally underrepresented students and non-traditional students, by: a) monitoring the numbers of Arizona residents admitted and graduated, b) supporting programs for increasing the number of qualified high school graduates, the percentage of qualified students admitted, and the percentage of students graduated, recognizing the role of national and international students in enriching the learning environment, and c) ensuring that enrollment management plans are an integral part of each university's strategic plan.

**Strategic Issue Number: 2**

*Enhance the Quality of Student Education*

Includes continued emphasis on learner-centered education at undergraduate, graduate and professional school levels, demonstrating that academic programs are relevant and successful, providing programs for

time- and place-bound non-traditional students throughout the state, and customizing instruction to recognize individual student learning styles.

**Strategic Issue Number: 3**

*Increase Affordable Education for Students*

Includes maintaining or reducing the net price of education through financial aid for needy undergraduate Arizona residents without requiring excessive additional student loans.

**Strategic Issue Number: 4**

*Provide an Educated, Competitive Workforce*

Includes providing programs to help meet the needs of the Arizona workforce.

**Strategic Issue Number: 5**

*Enhance Research and Impact Economic Development*

Includes encouraging scholarly research and creative expression at a globally competitive level, focusing basic and applied research resources on areas that support economic development, building partnerships with business, government and education entities to support research and improved technology transfer.

**Strategic Issue Number: 6**

*Optimize University Resource Acquisition and Work Environment*

Includes increasing funding consistent with the Vision and Mission to enhance competitive human, operating and capital resources with a particular emphasis upon competitive compensation to develop highly motivated faculty and staff, and maintaining a physical workplace environment; capitalizing on new and emerging technologies conducive to the highest level of teaching, research and public service.

BRA.1 PROGRAM SUMMARY  
**GOVERNANCE**

Contact: Art Ashton, Asst Exec Director for Strategic Planning  
 Phone: (602) 229-2524  
 A.R.S. § 15-1621

**Program 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.*

**Program 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 analysis; administration of several financial assistance programs; human resource policy oversight; coordination of Arizona Regents University activities; coordination and recommendations on academic and student service requirements and standards; internal audits of the universities; review of public outreach strategies for the Board; and, participation in public meetings.

<b>Funding and FTE Amounts:</b>	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,085.9	2,085.9	2,141.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	53,810.3	63,962.7	59,469.3
Federal Funds	0.0	0.0	0.0



2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Program Total	55,896.2	66,048.6	61,610.5
FTE Positions	34.5	30.5	30.5

**Program Goals and Performance Measures:**

◆ Goal 1 - To assist the Board in accomplishing its Action Plan Strategic Issues.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Action Plan Objectives substantially completed (Action Plan Objectives not used in 1999).	20	14	20	18
● Percent of action plan objectives substantially completed (action plan objectives not used in 1999).	100	100	100	100

◆ Goal 2 - To communicate with universities and their constituents and stakeholders on Board policies and initiatives.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of media/individual/group briefings conducted.	1,250	1,506	1,200	1,000
● Number of stakeholder briefings conducted.	48	35	45	45

◆ Goal 3 - To perform Internal Audits of the universities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Audits scheduled.	25	24	25	25
● Audits performed.	18	19	25	25
● Specific audit recommendations reported to Board.	35	29	50	50

◆ Goal 4 - To allocate and monitor Proposition 301 funds

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of projects funded.	22	16	16	16
● Performance measures monitored.	215	165	172	158

for support of exemplary projects for teachers in elementary and secondary math and science education. 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	5,338.7	5,476.0	6,650.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	1,039.9	1,245.8	716.7
<b>Program Total</b>	<b>6,378.6</b>	<b>6,721.8</b>	<b>7,367.1</b>
<b>FTE Positions</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>

**Program Goals and Performance Measures:**

◆ Goal 1 - To continue extending access to a university education by providing and administering various financial assistance programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of WICHE awards.	178	159	183	183
● Number of first year WICHE applications meeting eligibility requirements.	185	202	190	190
● Number of first year WICHE applications processed.	191	217	195	195
● Percent of recipients returning to practice in Arizona.	75	75	72	72
● Number of Improving Teacher Quality applications processed (program being phased out in FY2004).	31	24	0	0
● Percent of applications processed that result in Improving Teacher Quality awards (program being phased out in FY2004).	55	58	0	0
● Number of Improving Teacher Quality awards--depending on federal funding (program being phased out in FY2004).	17	14	0	0
● Number of first year WICHE awards.	52	31	64	64



BRA.2                      PROGRAM SUMMARY  
**STUDENT ASSISTANCE**

Contact: Gale Tebeau, Asst. Exec. Director  
 Phone: (602) 229-2522  
 A.R.S. § 15-1642, 15-1742, 15-1746

**Program Mission:**

*To provide financial assistance to students and to strengthen the teaching skills of teachers in elementary and secondary mathematics and science education.*

**Program 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) Eisenhower Grants--

<b>AGENCY SUMMARY</b>	
<b>SCHOOL FACILITIES BOARD</b>	
William Bell, Executive Director Contact: William Bell, Executive Director A.R.S. § 15-2001 et seq	SFA

**Agency Mission:**

To ensure that school buildings and equipment meet the appropriate guidelines for Arizona pupils to achieve academic success by providing financial and technical assistance.

**Agency Description:**

Created by Laws 1998, Fifth Special Session, Chapter 1, the School Facilities Board consists of nine voting members appointed by the Governor; in addition, the Superintendent of Public Instruction serves as a non-voting member. The Board is charged with administration of three capital funds: a) Building Renewal, b) Deficiencies Corrections, and c) New School Facilities. In order to effectively evaluate the State's school capital needs, the Board maintains a facilities database consisting of information reported by each school district. By extrapolating the school district data, the Board provides funding for building renewal and the construction of new facilities. Through periodic inspections, the Board will ensure adherence to established adequacy guidelines. In order to assess the deficiency corrections requirement, a statewide assessment was conducted; the results of which will be used to create a funding plan designed to bring existing facilities into compliance with state standards by June 30, 2004.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	39,817.8	22,837.5	280,225.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	937,183.3	829,068.2	651,389.8
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>977,001.1</b>	<b>851,905.7</b>	<b>931,614.9</b>
<b>FTE Positions</b>	<b>29.0</b>	<b>27.0</b>	<b>27.0</b>

**Strategic Issues**

**Strategic Issue Number: 1**

*Completion of the initial statewide assessment of all school district school buildings in the state is critical in order to bring all districts up to minimum adequacy standards and to properly administer the building renewal formula.*

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To bring all school districts up to the minimum adequacy standards.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of school districts.	228	231	231	231
● Percent of school districts meeting minimum adequacy standards.	N/A	N/A	99	100
● Cumulative number of critical deficiency correction projects approved by the Board.	210	230	230	230

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cumulative number of noncritical deficiency correction projects approved by the Board.	6,192	5,780	5,780	5,780
● Percent of cumulative critical deficiency correction projects completed.	100	100	100	100
● Percent of cumulative non-critical deficiency correction projects completed.	16	57	95	100
● Percent of school districts rating the Boards' services as "good" or "excellent" in annual survey.	90	N/A	92	95
◆ Goal 2 - To inspect all school district schools in the state at least once every five years to ensure compliance with minimum adequacy standards.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of school district schools.	1,277	1,312	1,360	1,380
● Percent of school district schools inspected.	0	0	29	22
● Percent of inspected schools determined to have an adequate maintenance program.	N/A	N/A	90	95
◆ Goal 3 - To be timely in the analysis of new school facilities applications.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of new school facilities funding requests submitted.	120	60	60	60
● Average number of months to review new school facilities funding requests.	6	6	6	6
● Number of new school construction projects completed.	47	30	61	23



## AGENCY SUMMARY

## UNIVERSITY OF ARIZONA - HEALTH SCIENCES CENTER

Dr. Peter Likins, President

UHA

Contact:

A.R.S. § 15-601

**Agency 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.

**Agency Description:**

The Arizona Health Sciences Center (AHSC) in Tucson is the state's only academic health sciences center, providing the State and its people education, research, patient care, and services through its Colleges of Medicine, Nursing, Pharmacy, Public Health, School of Health Professions, University Medical Center, and university physicians. AHSC serves as the core of a broad network of health services utilized throughout the State for health restoration, health promotion, and illness prevention.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ACADEMIC AFFAIRS	160,591.2	162,016.2	172,423.5
➤ ORGANIZED RESEARCH	62,277.4	63,975.7	65,678.3
➤ COMMUNITY OUTREACH	2,535.1	2,343.0	2,371.4
➤ INSTITUTIONAL SERVICES	0.0	0.0	0.0
Agency Total	225,403.7	228,334.9	240,473.2

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	52,858.4	52,858.4	56,974.5
Other Appropriated Funds	9,192.6	7,889.9	10,884.6
Other Non-Appropriated Fund	68,528.3	69,921.7	72,019.3
Federal Funds	94,824.4	97,664.9	100,594.8
Agency Operating Funds Total	225,403.7	228,334.9	240,473.2
FTE Positions	2,593.2	2,654.4	2,722.4

**Strategic Issues****Strategic Issue Number: 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.

**Strategic Issue Number: 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.

**Strategic Issue Number: 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.

**Strategic Issue Number: 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.

**Strategic Issue Number: 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

PROGRAM SUMMARY  
ACADEMIC AFFAIRS

Contact: Edward Frisch, Asst. VP Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Program 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.*

**Program Description:**

Academic Affairs includes activities carried out in the Colleges of Medicine, Nursing, Pharmacy, and Public Health, and the School of Health Professions during the academic year, summer sessions and other periods outside the regular term, and associated with degree credit and non-credit academic courses. Academic Affairs also includes faculty departmental research and public service activities that are not budgeted separately, and academic administration, such as at the dean and department chair levels.

**This Program Contains the following Subprograms:**

- ▶ College of Medicine
- ▶ College of Nursing
- ▶ College of Pharmacy
- ▶ School of Health Professions
- ▶ Arizona Health Sciences Library
- ▶ Academic Support
- ▶ College of Public Health

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	49,831.2	49,652.1	53,768.2
Other Appropriated Funds	9,192.6	7,889.9	10,884.6
Other Non-Appropriated Fund	46,609.4	47,867.2	49,465.6
Federal Funds	54,958.0	56,607.0	58,305.1
<b>Program Total</b>	<b>160,591.2</b>	<b>162,016.2</b>	<b>172,423.5</b>
FTE Positions	1,946.0	1,987.8	2,038.5

UHA.1.1 SUBPROGRAM SUMMARY  
**COLLEGE OF MEDICINE**

Contact: Edward Frisch, Asst. VP Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To provide medical students with the knowledge, skills, and attitudes basic to the practice of medicine; to provide education and training programs for residents, graduate students, fellows, and other health professionals and practicing physicians; to make contributions to biomedical research; to model and promote innovations in patient care and disease prevention and cure; and to disseminate health information to the public.*

**Subprogram Description:**

The College offers a professional program leading to the M.D. degree and graduate degree programs in several of the medical sciences. The College also provides graduate medical education training programs for residents and clinical fellows in many disciplines and continuing medical education, and supports the education of other health professionals and the public. The educational program leading to the M.D. degree is conducted at the College and at clinical sites located in Tucson, Phoenix, and throughout the State. The faculty members conduct departmental research programs in molecular biology, therapeutics, prevention, and clinical outcomes. The faculty members provide outstanding clinical service ranging from primary care to organ transplantation, and high quality education programs regarding health issues for the citizens of the State.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	36,364.2	34,704.5	37,412.2
Other Appropriated Funds	4,025.3	3,216.4	4,437.2
Other Non Appropriated Fund	30,456.2	31,413.2	32,473.6
Federal Funds	31,890.6	32,847.5	33,832.8
<b>Subprogram Total</b>	<b>102,736.3</b>	<b>102,181.6</b>	<b>108,155.8</b>
FTE Positions	1,231.0	1,260.0	1,292.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To develop, maintain, and continuously evaluate the educational program leading to the M.D. degree.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students passing Step I of the United States Medical Licensing Exam (USMLE) on the first try (percent).	90	95	95	95
● Students passing Step II of the USMLE on the first try (percent).	93	95	95	95
● Students indicating satisfied or very satisfied with their medical education on the AAMC Graduation Questionnaire (percent).	94	95	95	95

- ◆ Goal 2 - To provide educational experiences that promote career decisions for practicing a primary care specialty and/or practicing in a rural community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students in the graduating class who have completed a rural rotation during medical school (percent).	45	50	50	50
● Students entering primary care residencies (percent).	47	36	40	50

- ◆ Goal 3 - To provide education programs to keep practitioners in Arizona abreast of recent advances in medical knowledge and therapeutics.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Arizona physicians completing continuing medical education courses at the College of Medicine.	2,566	3,314	3,400	3,450

- ◆ Goal 4 - To maintain the leadership role of the College of Medicine in biomedical research.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Extramural funding for departmental research (in millions of dollars) *less College of Public Health.	63.1	110	113	116

- ◆ Goal 5 - To provide an adequate patient base to fulfill the College of Medicine's education and research missions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Patients seen in out-patient facilities (in thousands).	367.6	422.4	450.0	475
● Patients admitted to University Medical Center.	16,858	20,372	20,400	20,500

- ◆ Goal 6 - To offer graduate medical education programs that meet standards of excellence.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Residents passing United States Medical Licensing Exam (USMLE), step 3 (percent).	100	100	100	100
● Residents passing specialty board examinations (percent).	93	95	95	95

- ◆ Goal 7 - To provide the majority of first year postgraduate residency positions (PGY I) for graduates interested in primary care.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● PGY I residency positions in primary care (percent).	57.5	60	60	60
● PGY I residency positions in family practice (percent).	20	16	16	16

UHA.1.2 SUBPROGRAM SUMMARY  
COLLEGE OF NURSING

Contact: Edward Frisch, Asst. VP Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Subprogram Mission:**

*To provide undergraduate, graduate, and professional nursing education; to generate and expand nursing knowledge; and to provide service to the community.*

**Subprogram Description:**

The College of Nursing offers a professional program leading to the Bachelor of Science in Nursing (B.S.N.) degree and graduate programs leading to the Master of Science and Doctor of Philosophy degrees with a major in nursing. The College of Nursing also offers a B.S.N. pathway for registered nurses who graduated from associate degree or diploma nursing programs and an accelerated B.S.N. pathway for superior students who are college graduates holding a baccalaureate or higher degree in a non-nursing field. The College of Nursing also offers an ADN-MS pathway for qualified graduates of associate degree nursing programs to obtain the BSN and MS degrees in Nursing. The College is accredited by the National League for Nursing and approved by the Arizona State Board of Nursing. Upon recommendation of the faculty, the graduates will be admitted to the licensing examination administered by the State Board.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,619.2	3,083.0	3,603.7
Other Appropriated Funds	1,719.6	1,716.3	2,367.8
Other Non Appropriated Fund	1,341.8	1,483.9	1,514.5
Federal Funds	2,442.0	2,515.3	2,590.8
<b>Subprogram Total</b>	<b>8,122.6</b>	<b>8,798.5</b>	<b>10,076.8</b>
FTE Positions	113.6	114.7	117.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure continued contribution to providing an adequate supply of professional nurses and nurses prepared for advanced practice roles for meeting the health care needs of Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● BSN graduates passing NCLEX-RN exam (percent).	93	94	95	95

- ◆ Goal 2 - To provide local, regional, national, and international leadership through the development and dissemination of knowledge, skill, and experience gained from teaching, research, and service efforts.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Faculty who hold national certification in their specialty area.	18	49	56	63
● Faculty who are Fellows of the American Academy of Nursing (percent).	18	16	18	20
● Faculty who serve in leadership positions in local, regional, or national organizations (percentages beginning FY 2001).	50	46	46	47

UHA.1.3 SUBPROGRAM SUMMARY  
**COLLEGE OF PHARMACY**  
 Contact: Edward Frisch, Asst. VP Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To educate and prepare professional students to become highly skilled, ethical, and compassionate pharmacists and graduate students to become highly skilled, ethical, and compassionate pharmacists and graduate students to become ethical, productive and innovative scientists. Upon graduation these students will contribute to the universal goals of optimizing rational, safe and cost-effective drug therapy and conducting research and other investigative endeavors that will lead to new discoveries and experiences in the pharmaceutical sciences. Our mission is accomplished by educating and preparing professional and graduate students to be exemplary pharmacists and scientists in a diverse, ever-changing health care system; providing essential services to patients, communities and the profession; and, conducting innovative research.*

**Subprogram Description:**

The objective of the College of Pharmacy is to educate qualified students to become pharmacists who are committed to providing the highest quality of pharmaceutical and related health care services for the citizens of the State of Arizona. The pharmacy curriculum is designed to develop professionally competent and academically well-rounded pharmacists. The professional degree offered by the College of Pharmacy is the Doctor of Pharmacy (Pharm.D.). The College also offers graduate studies leading to the Master of Science degree in pharmaceutical sciences and pharmacology and the Ph.D. degree in pharmaceutical sciences.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,620.3	2,515.6	3,010.1
Other Appropriated Funds	2,083.0	1,704.6	2,351.6
Other Non Appropriated Fund	4,296.0	4,713.9	4,657.4
Federal Funds	11,293.7	11,632.5	11,981.5
Subprogram Total	20,293.0	20,566.6	22,000.6
FTE Positions	196.1	200.4	205.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - Prepare students for success in their chosen fields by providing the highest-quality professional pharmacy curriculum and graduate education programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Graduates placed (percent).	100	100	100	100
● Residents/ fellowships placed (percent).	100	100	100	100
● Students passing the State board examination (percent).	100	100	100	100
● Tenured and tenure- track teaching in undergraduate professional programs (percent).	100	100	100	100

- ◆ Goal 2 - Maintain and strengthen the quality of research activities to enhance the quality of the professional and graduate education programs, the profession and health of the public.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Extramural grant support per FTE faculty (in thousands of dollars).	381.8	591.3	650	715
● Extramural research funding received by faculty (in millions of dollars).	12.6	15.5	17	18.8
● Rank of School of Pharmacy by NIH Funding.	2	2	1	1

- ◆ Goal 3 - Provide service, education, and research programs to the public and professional communities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Public outreach programs (in thousands).	60	60.0	60.0	60.0
● Continuing education hours to professionals.	525	525	525	550
● Average participant satisfaction with program as measured on a 1-5 scale (5=highest).	4	4	4	4

UHA.1.4 SUBPROGRAM SUMMARY  
**SCHOOL OF HEALTH PROFESSIONS**  
 Contact: Edward Frisch, Asst. VP Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

To provide undergraduate and post-baccalaureate education for students planning to pursue a wide range of health-related careers; to integrate research and scholarship with distinguished teaching; and to provide professional and public service.

**Subprogram Description:**

The School of Health Professions offers academic programs leading to the Bachelor of Science in Health Sciences (B.S.H.S.) Degree. Within the B.S.H.S. degree program, students may elect to major in physiological sciences or medical technology. The curriculum in these majors provides students with a strong foundation in the sciences, and skills in critical thinking, problem-solving, and communication. Completion of the medical technology major, which is an accredited program, qualifies the student for various National Registry examinations. Qualified post-baccalaureate students interested in becoming eligible for certification in medical technology also are admitted to the program for professional training. (NOTE: 30 FTE are now reported in the College of Medicine.)

**Subprogram Mission:**

To ensure timely access to knowledge and information resources in the health sciences and to educate students and faculty in the most effective methods of identifying and acquiring health sciences information to meet their needs.

**Subprogram Description:**

This specialized library, which serves University Medical Center as well as the Colleges of Medicine, Nursing, Pharmacy, and Public Health, the School of Health Professions, and other related graduate fields of study, contains almost 220,000 cataloged volumes and provides access to approximately 2,100 serial titles. The library includes a computer laboratory and houses a collection that includes books, journals, and non-print materials in the health sciences.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,033.9	3,060.0	3,106.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	905.4	911.1	931.7
Federal Funds	7.6	7.8	8.0
<b>Subprogram Total</b>	<b>3,946.9</b>	<b>3,978.9</b>	<b>4,046.4</b>
<b>FTE Positions</b>	<b>51.6</b>	<b>52.0</b>	<b>53.3</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To teach students and faculty the most effective methods of accessing and managing health sciences information.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Classes being offered.	336	220	231	242
● Students and faculty attending classes.	3,509	3,137	3,294	3,458

- ◆ Goal 2 - To assure access to information resources in the health sciences on-site and off-site.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Resources (print and non-print) circulated from the collection.	43,000	44,000	42,667	41,334
● Resources (print and non-print) used in the library (in thousands).	115.0	68.7	62.5	56.3
● Material supplied to students, faculty, and health professionals off-site (in thousands).	14.8	33.1	38.7	44.3

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	750.7	747.1	766.8
Other Appropriated Funds	486.8	395.1	545.0
Other Non Appropriated Fund	18.3	18.4	18.9
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,255.8</b>	<b>1,160.6</b>	<b>1,330.7</b>
<b>FTE Positions</b>	<b>23.1</b>	<b>23.1</b>	<b>23.7</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To produce graduates with appropriate education to compete effectively in their chosen fields.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Medical technology students passing National Registry examinations (percent).	90	90	90	N/A
● Students satisfied with quality of preparation in their major (percent).	90	90	90	N/A

- ◆ Goal 2 - To continually improve program and course curricula and instructional delivery.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Relevance and perceived value of the major curriculum as measured by survey instruments (percent).	90	90	90	N/A
● Students satisfied with courses and instruction as measured by student evaluations (percent).	90	90	90	N/A

UHA.1.5 SUBPROGRAM SUMMARY  
**ARIZONA HEALTH SCIENCES LIBRARY**

Contact: Edward Frisch, Asst. VP Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

UHA.1.6 SUBPROGRAM SUMMARY  
**ACADEMIC SUPPORT**

Contact: Edward Frisch, Asst. VP Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

**Subprogram Mission:**

*To support Arizona Health Sciences Center faculty and students in optimizing teaching and learning processes, by taking advantage of the most current instructional technology, research, and assessment techniques.*

**Subprogram Description:**

The Divisions of Academic Resources and Biomedical Communications provide: assistance to faculty in the design of course and instructional materials; test design and scoring; teaching and course assessment; educational research and the use of instructional technology; assistance to students in test-taking and other academic skills; technical, maintenance, and improvement of instructional facilities; and production of services in scientific/medical illustration, graphic design and publication, medical photography, and videotape and computer-based programs.

- ◆ Goal 3 - To provide teleconferencing in support of the growth of the educational outreach and telemedicine missions of the Arizona Health Sciences Center.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Courses and events carried on AHSC Interactive Video Network in support of AHSC Phoenix Programs and the Arizona Graduate Program in Public Health.	660	700	750	800
• Events per rural site delivered as part of Arizona Telemedicine Network.	434	550	550	600

UHA.1.7                      SUBPROGRAM SUMMARY  
**COLLEGE OF PUBLIC HEALTH**

Contact: Edward Frisch, Asst. VP Resource Planning  
 Phone: (520) 621-7766  
 A.R.S. § 15-601

**Subprogram Mission:**

*To serve as the focal point for the development of health policy and program research that includes a partnership with Arizona communities and programs providing public health services. The COPH mission will be to conduct research, provide education, and program service support to improve community and personal health through the reduction of environmental hazards, the promotion of healthy behaviors, and improved access to effective preventive health care. The College will practice and teach assessment methods for program and prevention effectiveness through rigorous evaluation and health outcomes research. Education and training programs will prepare individuals and communities for public health practice in clinical and community settings in Arizona and the Southwest.*

**Subprogram Description:**

Three established educational programs were merged to establish the College of Public Health, creating a multi-disciplinary public health educational program: 1) The Arizona Graduate Program in Public Health is tri-university collaboration offering a Master in Public Health (MPH) degree. 2) The Graduate Interdisciplinary Program in Epidemiology offers study leading to a Master of Science (MS) and doctorate degree (Ph.D.) in epidemiology. 3) The Undergraduate Health Education Major offers an undergraduate major in community health education and school health education to University of Arizona undergraduates. The Arizona Graduate Program in Public Health is accredited by the Council of Education for Public Health (CEPH) and the recently established College of Public Health, in its entirety, expects to be accredited by CEPH in Spring, 2003.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,353.8	1,621.5	1,863.3
Other Appropriated Funds	877.9	857.5	1,183.0
Other Non Appropriated Fund	4,224.8	4,250.9	4,347.1
Federal Funds	8,577.9	8,835.3	9,100.4
<b>Subprogram Total</b>	<b>15,034.4</b>	<b>15,565.2</b>	<b>16,493.8</b>
FTE Positions	188.0	193.0	197.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To advance the mission of the University of Arizona through a collaborative academic public health program and

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,089.1	3,920.4	4,005.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	5,366.9	5,075.8	5,522.4
Federal Funds	746.2	768.6	791.6
<b>Subprogram Total</b>	<b>9,202.2</b>	<b>9,764.8</b>	<b>10,319.4</b>
FTE Positions	142.6	144.6	148.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To enhance the level of scholarship in the development and delivery of instructional programs and enhance student success in the curricula

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Participants in faculty development programs (AHSC).	425	472	500	600
• Programs evaluated.	77	56	60	70
• Student visits to academic counselors (AHSC).	8,858	10,651	11,000	11,200

- ◆ Goal 2 - To provide an environment that facilitates access to excellence in informational, audiovisual, and other educational materials in support of teaching, research, and service functions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Positive customer response to service quality surveys (percent).	94.7	98	98	98
• Labor Efficiency Index measured at Total Division Budget per billed instructional support services hours (in dollars per hour).	76.8	75	70	70
• Material Production Efficiency Index measured as Total Division Budget per number of billed instructional material items (in dollars per item).	22.1	23.0	24.0	25.0



interdisciplinary faculty at the Arizona Health Sciences Center, and increasingly among state universities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Courses being offered (undergraduate/graduate).	53	50	55	59
● Number of students in graduate programs (MPH, MS, Ph.D.).	205	200	220	230
● Number of students at NAU/ASU in AzGPPH.	60	60	60	65
● Number of students in undergraduate program.	111	112	115	118

◆ Goal 2 - To foster the excellence in community-oriented public health research and service in Arizona and the Southwest in collaboration with state, local, and tribal health agencies and communities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Faculty involved in Native American or tribal research and service projects (percent).	50	60	60	62
● Faculty involved in community health research and service projects (percent).	100	100	100	100
● Faculty involved in state and local projects (percent).	85	85	85	85

◆ Goal 3 - To help alleviate the shortage of well-trained public health personnel in Arizona and the Southwest.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students satisfied with the quality of preparation of their major (percent).	90	90	90	90
● Students employed in public health positions in the state of Arizona (percent).	75	72	75	75
● Arizona public health workforce who have completed public health training (percent).	80	15	17	17

◆ Goal 4 - To develop a university partnership and infrastructure for the advancement of public health education and research in Arizona and the Southwest.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Extramural grant support per FTE (in thousands).	318	371	389	390
● Extramural research funding received by faculty (in millions).	12.8	13	14	15

UHA.2 PROGRAM SUMMARY  
**ORGANIZED RESEARCH**

Contact: Edward Frisch,, Asst. VP Resource Planning& Management  
Phone: (520) 621-7766  
A.R.S.§ 15-1601

**Program 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.*

**Program Description:**

The organized research centers include the Arizona Arthritis Center, Arizona Cancer Center, the Arizona Center on Aging, the Arizona Emergency Medicine Center, the Respiratory Sciences Center, the Steele Memorial Children's Research Center, the University Heart Center, the Liver Research Institute, Center for Pharmaceutical Economics, and the Center for Toxicology. They 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.

**This Program Contains the following Subprograms:**

▶ **Health Sciences Organized Research Centers and Adm**

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,742.9	2,121.8	2,121.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	20,668.1	20,796.0	21,266.8
Federal Funds	39,866.4	41,057.9	42,289.7
<b>Program Total</b>	<b>62,277.4</b>	<b>63,975.7</b>	<b>65,678.3</b>
FTE Positions	630.0	649.0	665.8

UHA.2.1 SUBPROGRAM SUMMARY  
**HEALTH SCIENCES ORGANIZED RESEARCH CENTERS AND ADM**

Contact: Edward Frisch, Asst. VP Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S.§ 15-1601

**Subprogram Mission:**

To support the University's research mission to do significant scholarly research in areas critical to the State, region, nation, and international community; to make major contributions to multi disciplinary research and education related to the basic understanding, prevention, diagnosis, treatment, and control of various diseases and debilitating conditions.

**Subprogram Description:**

The organized research centers include the Arizona Cancer Center, the Respiratory Sciences Center, the University Heart Center, the Center for Toxicology, the Center for Health Outcomes, the Arizona Center on Aging, the Liver Research Institute, Arizona Emergency Medicine Research Center, and the Children's Research Center. Their major areas of emphasis include interdisciplinary research; education of health professionals and scientists; patient services; providing regional resources for research, patient care, education, and disease prevention; and technology development.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	1,742.9	2,121.8	2,121.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	20,668.1	20,796.0	21,266.8
Federal Funds	39,866.4	41,057.9	42,289.7
<b>Subprogram Total</b>	<b>62,277.4</b>	<b>63,975.7</b>	<b>65,678.3</b>
FTE Positions	630.0	649.0	665.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To promote excellence in basic and clinical research, patient care, education, and training.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Regional, national, and international awards, honors, and prizes received by students, alumni, faculty, and staff.	50	50	55	60
● Patients rating patient care as excellent in satisfaction survey (percent).	90	96	98	98

- ◆ Goal 2 - To establish a stable funding base to support research, education, and service activities.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Research grants and contracts (in millions of dollars).	40.7	62.0	63.9	65.8
● Private donations (in millions of dollars).	4.9	9.5	9.5	9.9

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Training programs/workshops/lectures.	110	65	70	75

UHA.3

**PROGRAM SUMMARY  
COMMUNITY OUTREACH**

Contact: Edward Frisch, Asst. VP  
Phone: (520) 621-7766  
A.R.S. § 15-1601

**Program 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 which can improve rural health care.

**Program Description:**

The Arizona Poison and Drug Information Center (APDIC) 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.

**This Program Contains the following Subprograms:**

- ▶ Arizona Poison and Drug Information Center
- ▶ Telemedicine

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	1,284.3	1,084.5	1,084.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	1,250.8	1,258.5	1,286.9
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>2,535.1</b>	<b>2,343.0</b>	<b>2,371.4</b>
FTE Positions	17.2	17.6	18.1

UHA.3.1

**SUBPROGRAM SUMMARY**

**ARIZONA POISON AND DRUG INFORMATION CENTER**

Contact: Edward Frisch, Asst. VP Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

**Subprogram Mission:**

*To serve the citizens of Arizona by providing accessible poison and medication-related emergency treatment assistance, referral advice, and information on poison prevention and the safe and proper use of medications.*

**Subprogram Description:**

The APDIC optimizes the interdisciplinary expertise of information specialists and experts—clinical and medical toxicologists, chemists, pharmacologists, pharmacists, physicians, and other specialists associated with the College of Pharmacy and the University of Arizona—by serving as the resource for immediate public and health professional practitioner access to advice and assistance. The APDIC serves as a repository of comprehensive information, knowledge, and experience concerning poisonings and toxic exposures. The APDIC contributes to improving the utilization of resources for emergency treatment for poisonings; considerable cost savings to users and insurers is an outcome of the optimal and exemplary consultation and poison care provided by the Center. Accessibility to the service, particularly for rural and medically underserved Arizona residents and health care professionals who are without ready access to medical facilities, is an objective of high priority for the APDIC. The APDIC also considers among its objectives to educate future health care professionals and offer them preceptored opportunities for clinical experience in addressing problems of poisonings, toxic exposures, and medication use safety and compliance.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	91.8	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,064.9	1,071.5	1,095.7
Federal Funds	0.0	0.0	0.0
Subprogram Total	1,156.7	1,071.5	1,095.7
FTE Positions	16.0	16.4	16.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide quality, accessible poison and medication-related emergency treatment assistance 24 hours a day.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Call volume per year (in thousands).	75	75.0	75.0	75.0
● Accredited by the American Association for Poison Control Center Certification as a Regional Poison Control Center.	yes	yes	yes	yes

- ◆ Goal 2 - To provide poison prevention to individual citizens, organizations, and the public at large.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Educational items distributed (in thousands).	100.0	105.0	105.0	110.0
● Health professionals participating in continuing education programs.	190	200	200	220

UHA.3.2 SUBPROGRAM SUMMARY  
**TELEMEDICINE**

Contact: Edward Frisch, Asst. VP Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S.§ 15-1601

**Subprogram Mission:**

*To develop a rural telemedicine network in Arizona and provide telemedicine services to selected sites.*

**Subprogram Description:**

Telemedicine is the use of computers, video imaging, broad-band channels, and telecommunications for diagnosis and treatment of persons in rural, geographically isolated communities, and secure state institutions. The network can improve rural health care in Arizona and offer a cost-effective alternative to expensive transportation from state institutions to hospitals.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,192.5	1,084.5	1,084.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	185.9	187.0	191.2
Federal Funds	0.0	0.0	0.0
Subprogram Total	1,378.4	1,271.5	1,275.7
FTE Positions	1.2	1.2	1.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To establish telemedicine network infrastructure.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Sites developed and operational.	67	87	100	105

- ◆ Goal 2 - To provide specialty patient care in rural communities and secure State institutions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Patient encounters via telemedicine.	26,500	63,465	70,000	80,000
● CME sessions.	172	174	190	200
● ADM Sessions.	68	61	70	80

UHA.4 PROGRAM SUMMARY  
**INSTITUTIONAL SERVICES**

Contact: Edward Frisch, Asst. VP, Resource Planning & Management  
Phone: (520) 626-7692  
A.R.S.§ 15-1601

**Program Mission:**

*To provide the Arizona Health Sciences Center with the support services necessary to enable it to effectively and efficiently pursue the institutional mission*

of teaching, research, and community service.

**Program Description:**

Institutional Support includes executive-level activities concerned with the management and long-range planning for the Arizona Health Sciences Center and the operational activities supporting the Center. Administrative activities include planning and programming, legal services, financial, space management, human resources services, community and alumni relations, and development and fund-raising.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To achieve an environment and culture that supports all members of the Arizona Health Sciences Center.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Faculty/staff participating in abuse/harassment workshops (percentage).	4	5	5	5
● Staff receiving career progression (percent).	11	11	10	10

- ◆ Goal 2 - To develop resources and support that ensure an optimal physical environment and required capital to meet the institutional mission of teaching, research, and community service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Endowment funds (in millions of dollars).	88.1	89.7	94.2	98.9
● Total College of Medicine building space within campus boundaries in gross square feet (in millions).	1.26	1.1	1.1	1.4



**AGENCY SUMMARY**  
**UNIVERSITY OF ARIZONA - MAIN CAMPUS**

Dr. Peter Likins, President  
Contact:  
A.R.S. § 15-1601

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**Agency Mission:**

To prepare students for an increasingly diverse and technological world and to improve the quality of life for the people of Arizona and the nation.

**Agency Description:**

The University of Arizona in Tucson, including its branch-campus in Sierra Vista, is a Land Grant, Doctoral/Research University-Extensive institution 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 36,847 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)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ACADEMIC AFFAIRS	484,493.5	508,360.1	549,934.3
➤ ORGANIZED RESEARCH	129,110.0	131,140.8	135,236.2
➤ COMMUNITY OUTREACH	69,740.1	66,865.7	68,791.3
➤ STUDENT AFFAIRS AND CAMPUS LIFE	125,297.1	126,660.1	129,528.7
➤ INSTITUTIONAL SERVICES	168,740.0	176,961.9	183,636.8
Agency Total	977,380.7	1,009,988.6	1,067,127.3

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	263,687.9	263,687.9	296,389.6
Other Appropriated Funds	89,127.5	94,997.5	102,874.5
Other Non-Appropriated Fund	402,048.1	422,581.6	432,253.8
Federal Funds	222,517.2	228,721.6	235,609.4
Agency Operating Funds Total	977,380.7	1,009,988.6	1,067,127.3
FTE Positions	10,815.8	10,979.4	11,257.7

**Strategic Issues****Strategic Issue Number: 1**

*Preserving Intellectual and Structural Foundations*

Faculty and staff salary increases, building maintenance and renewal, and information technology upgrades as well as other structural components of

the University are necessary to offer students quality learning and research experiences. A world-class faculty and a supportive academic community are essential to our ability to achieve focused excellence in the research, scholarship, and creative expression that is the core foundation for outstanding teaching, service, and transfer to society.

**Strategic Issue Number: 2**

*Enhancing Research and Collaborative Relationships*

Basic and applied academic research are central to the University of Arizona's mission and key to economic development. Interdisciplinary collaboration as well as partnerships with industries and community entities are essential for the scientific, technological, and social advancement of the region and state.

**Strategic Issue Number: 3**

*Growth Management for Educational Excellence*

Determining optimal mission-based student demographics (e.g. resident, non-resident) as well as assuring a proper mix of curricular options within budgetary constraints are critical to high quality education within the context of providing for students' needs and maintaining accessibility.

**Strategic Issue Number: 4**

*Outreach and Impact on Society*

This University is committed to improving quality of life by addressing health, cultural, social, and economic concerns in both urban and rural areas throughout the State. Collaborations with community groups, governments, and for-profit entities that promote economic development while enabling the community and State to benefit from regional and global changes, contribute to the well-being of communities served by the University of Arizona.

**Strategic Issue Number: 5**

*Serving a Diverse Population*

The University must ensure a rich mix of cultural, ethnic, social, and racial backgrounds and viewpoints within its campus student body, faculty, staff, and administrators. Improving this mix will enhance the quality of the student experience on campus, better prepare students to be responsible and productive members of the emerging global society, and develop the workforce essential for success in the 21st century.

**Strategic Issue Number: 6**

*Achieving Financial Stability*

The University strives to enable its community members to gain and use the institution's financial and physical resources to support its mission, vision, and growth. The University must regain a reliable level of State funding, and continue its development and grant winning efforts. However, these alone may not be enough and regular incremental tuition increases may be the only means available to allow the university to consistently maintain and enhance the quality of its instructional programs, assuming always that affordability would be assured for students of limited financial means by provision for financial aid.

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**PROGRAM SUMMARY**  
**ACADEMIC AFFAIRS**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Program Mission:**

*To provide top-quality educational programs at the undergraduate, graduate, and professional levels that will attract, educate, and graduate an excellent and diverse student body.*

**Program Description:**

Academic Affairs provides leadership and coordinates instructional and scholarly/creative 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. Academic Affairs also provides oversight for faculty departmental research and public service activities that are not budgeted separately, and academic administration in which instruction plays an important role, such as at the dean and department chair levels.

**Subprogram Mission:**

*To provide top-quality educational programs at the undergraduate, graduate, and professional levels that will attract, educate, and graduate an excellent and diverse student body.*

**Subprogram Description:**

Academic Affairs provides leadership and coordinates instructional and scholarly/creative 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. Academic Affairs also provides oversight for faculty departmental research and public service activities that are not budgeted separately, and academic administration in which instruction plays an important role, such as at the dean and department chair levels.

**This Program Contains the following Subprograms:**

- ▶ Overall Academic Affairs
- ▶ College of Agriculture and Life Sciences
- ▶ College of Architecture, Planning and Landscape Architecture
- ▶ Eller College of Business and Public Administration
- ▶ College of Education
- ▶ College of Engineering and Mines
- ▶ College of Fine Arts
- ▶ College of Humanities
- ▶ James E. Rogers College of Law
- ▶ College of Science
- ▶ College of Social and Behavioral Sciences
- ▶ Graduate College -- Academic Interdisciplinary Programs
- ▶ Extended University
- ▶ Other Academic Programs
- ▶ University of Arizona South
- ▶ Arizona International College
- ▶ University Libraries
- ▶ Academic Computing
- ▶ Academic Support
- ▶ Academic Affairs Administration

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve student persistence and graduation rates over time.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Freshmen returning for the second year (percent).	76	77	78	79
● Full-time lower-division transfer five-year graduation rates (percent). 2003 Est. based on Aug, Dec, and May degree cycle	51	53	52	52
● Full-time upper-division transfer four-year graduation rates (percent). 2003 Est. based on Aug, Dec, and May degree cycle	64	63	67	67

- ◆ Goal 2 - To keep steady, and perhaps reduce over time, the average length of time and number of academic credits required to complete academic degrees.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Seniors with fewer than 160 earned credit hours, excluding transferable hours from out-of-state institutions and Arizona private institutions (The typical degree program is approximately 120 hours or somewhat more for certain degrees with unusual requirements, such as in engineering and architecture) (percent).	96.5	96.7	97.0	97.0

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	146,534.7	148,948.2	174,976.5
Other Appropriated Funds	85,531.8	91,694.4	99,297.5
Other Non-Appropriated Fund	111,385.6	122,746.2	126,323.4
Federal Funds	141,041.4	144,971.3	149,336.9
<b>Program Total</b>	<b>484,493.5</b>	<b>508,360.1</b>	<b>549,934.3</b>
FTE Positions	5,525.0	5,587.8	5,728.8

UAA.1.1 SUBPROGRAM SUMMARY  
**OVERALL ACADEMIC AFFAIRS**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Seniors with fewer than 160 earned credit hours, excluding transferable hours from out-of-state institutions, Arizona private institutions, and Arizona community colleges (percent).	99.1	99.2	99.0	99.0

◆ Goal 3 - To increase productivity, efficiency, and effectiveness.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Graduating seniors who rate their overall experience as good or excellent (percent).	90.0	95.0	95.0	95.0
● Full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty (percentage).	67	80	70	70
● Total number of degrees granted. 2003 Est. based on Aug, Dec, and May degree cycle	6,398	6,910	6,960	6,980
● Bachelors degrees granted. 2003 Est. based on Aug, Dec, and May degree cycle	4,743	5,123	5,200	5,250
● Masters degrees granted. 2003 Est. based on Aug, Dec, and May degree cycle	1,179	1,277	1,250	1,260
● First Professional degrees granted. 2003 Est. based on Aug, Dec, and May degree cycle	146	152	150	150
● Doctorate degrees granted. 2003 Est. based on Aug, Dec, and May degree cycle	330	358	360	370
● Average number of years taken to graduate for students who began as freshmen. 2003 Est. based on Aug, Dec, and May degree cycle	4.67	4.64	4.62	4.6
● Administration as a percent of total cost. 2003 Est. based on Aug, Dec, and May degree cycle	1.7	1.7	1.7	1.7
● Agency staff turnover (percent). 2003 Est. based on Aug, Dec, and May degree cycle	16.3	16.5	17.0	17.0
● Gifts, grants, and contracts (millions).	237	275	280	290

**Subprogram Mission:**

*To provide excellent learning experiences through exploration and discovery in six 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. To integrate, disseminate, apply knowledge, and ensure excellence in undergraduate, graduate, and professional education in these areas.*

**Subprogram Description:**

The College of Agriculture and Life Sciences coordinates undergraduate and professional education for a wide range of career opportunities within the six subject areas of the mission. 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 in 18 fields of study. Faculty generally have joint appointments in a parallel Agricultural Experiment Station component.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,106.8	12,776.0	14,895.0
Other Appropriated Funds	3,768.9	3,579.2	3,876.0
Other Non Appropriated Fund	1,981.7	4,346.6	5,123.0
Federal Funds	386.2	397.0	408.9
<b>Subprogram Total</b>	<b>13,243.6</b>	<b>21,098.8</b>	<b>24,302.9</b>
FTE Positions	241.5	242.2	248.2

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To increase the percent of undergraduate instruction taught by regular faculty (ranked).

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Student credit hours taught by ranked faculty: Lower division (percent).	98	98	98	97
● Student credit hours taught by ranked faculty: Upper division (percent).	93	93	92	93
● Lower division student credit hours taught by other than teaching assistants (percent).	98	98	98	98

◆ Goal 2 - To improve the mentoring system for new freshmen and transfer students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Freshman students mentored by ranked faculty member (percent).	89	89	88	88
● Transfer students mentored by ranked faculty member (percent).	100	100	100	100
● Freshmen declaring a major at end of first year (percent).	95	95	95	95
● Freshmen responding good/very good on satisfaction survey (percent).	85	85	85	85

UAA.1.2 SUBPROGRAM SUMMARY  
**COLLEGE OF AGRICULTURE AND LIFE SCIENCES**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**UAA.1.3 SUBPROGRAM SUMMARY**  
**COLLEGE OF ARCHITECTURE, PLANNING AND**  
**LANDSCAPE ARCHITECTURE**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To prepare students for productive and meaningful professional careers in the fields of architecture; to create, verify, and apply knowledge through scholarship, research, and creative activity; and to provide outreach/service to the University, the professions, and the communities of which it is a part.*

**Subprogram Description:**

The college is comprised of three professional programs focused on the development and application of theoretical and practical knowledge necessary for the effective evolution of human settlements. The College offers an accredited five-year program leading to the professional degree Bachelor of Architecture as well as a post-professional master's program (M.Arch). Accredited graduate programs in planning (MS) and landscape architecture (MLA) are also offered. The Roy P. Drachman Institute of Land and Regional Development Studies is a research and public service unit of the College and conducts products of relevance to Arizona communities.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,949.6	1,977.9	2,428.4
Other Appropriated Funds	1,571.2	1,878.3	2,034.0
Other Non Appropriated Fund	389.8	391.4	400.3
Federal Funds	131.1	134.7	138.8
<b>Subprogram Total</b>	<b>4,041.7</b>	<b>4,382.3</b>	<b>5,001.5</b>
<b>FTE Positions</b>	<b>58.9</b>	<b>59.1</b>	<b>60.6</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide quality undergraduate and graduate professional design and planning education.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Ranked architecture faculty teaching lower division courses (percent).	75	90	90	90
● Students successfully completing research/capstone experience (percent).	100	100	100	100
● Students graduating in 5 years in a 5-year program (percent).	70	68	70	70
● Graduating seniors satisfied with their educational program as preparation for professional career (percent).	90	65	75	75
● Masters' graduates employed in profession within 1 year of graduation (percent).	90	100	90	90

- ◆ Goal 2 - To initiate and engage in significant scholarship, research, and creative activity that integrate with the educational experience.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Funded research (in thousands of dollars).	250	300	300	300

- ◆ Goal 3 - To link the College's educational, research, and outreach programs with local, State, national, and international needs in a spirit of collaboration to enrich people's lives and self-sufficiency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Courses offered annually with direct community applications (percent).	60	53	60	60
● Faculty annually involved in community projects (percent).	50	80	80	80

**UAA.1.4 SUBPROGRAM SUMMARY**  
**ELLER COLLEGE OF BUSINESS AND PUBLIC**  
**ADMINISTRATION**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To manifest our vision through an integrative approach permeating our core endeavors. These endeavors are to discover, educate, serve, and inspire*

**Subprogram Description:**

The College offers professional education in both business and public administration to prepare men and women for professional positions in the public and private sectors. The College also provides continuing education opportunities for those seeking to improve their positions. Faculty of the College are engaged actively in research on a wide range of economic and administrative topics. The College has been a member of the American Assembly of Collegiate Schools of Business since 1948, and its undergraduate and graduate curricula in business are accredited by the Assembly. The College's graduate program in Public Administration is recognized by the National Association of Schools of Public Affairs and Administration.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	8,997.9	8,049.5	9,526.1
Other Appropriated Funds	9,157.4	9,926.6	10,749.7
Other Non Appropriated Fund	7,175.5	8,603.6	8,767.8
Federal Funds	4,966.3	5,104.7	5,258.4
<b>Subprogram Total</b>	<b>30,297.1</b>	<b>31,684.4</b>	<b>34,302.0</b>
<b>FTE Positions</b>	<b>331.3</b>	<b>334.8</b>	<b>343.3</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide top quality management education programs and support services that will attract and graduate an excellent and diverse student body.



Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Student credit hours per permanent faculty member.	850	835	800	800
● Freshman students admitted/matriculated.	2,050/90 0	2,025/90 0	2,025/87 5	2,000/90 0
● Degrees awarded: BS.	1,054	1,026	960	960
● Degrees awarded: Master's.	282	252	260	275
● Degrees awarded: Ph.D.	22	18	20	20
● Graduate student applicants/admitted-Master of Business Admin.	700/220	370/215	450/260	600/300
● Graduate students enrolled in Master of Business Admin.	275	257	260	280
● Graduate student applicants/admitted-Ph.D.-Management.	100/25	130/25	170/25	200/25
● Graduate students enrolled in Ph.D.-Management.	92	89	90	90
◆ Goal 2 - To carry out significant scholarly, creative research, and outreach activities relevant to business and public administration regionally, nationally, and internationally.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Ratio of published books, scholarly monographs, or refereed articles per permanent faculty member per year.	2.5	2.5	2.5	2.5
● Master of Public Administration students in internships (percent).	90	100	100	100
● Master of Business Administration class placed in internships (percent).	94	95	95	95

UAA.1.5      **SUBPROGRAM SUMMARY**  
**COLLEGE OF EDUCATION**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Subprogram Mission:**

*To prepare students as leaders for careers and certifications as Pre-K-12 teachers, school and rehabilitation counselors, school psychologists, and administrators. To prepare community college instructors and administrators; university professors in teaching, research, and administration; and researchers and managers for careers in state, federal, private, and international agencies, centers, and laboratories.*

**Subprogram Description:**

To advance the research and the practice of pre-school to college education, and to demonstrate the relationships between research and practice. To provide leadership in the conduct, advancement, research, and evaluation of the process of education, education policy, and in educational organizations at local, state, national, and international levels.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,639.7	4,152.4	5,020.0
Other Appropriated Funds	3,739.3	3,942.9	4,269.8
Other Non Appropriated Fund	2,272.6	2,364.2	2,416.1
Federal Funds	4,785.3	4,918.5	5,066.7
<b>Subprogram Total</b>	<b>15,436.9</b>	<b>15,378.0</b>	<b>16,772.6</b>
FTE Positions	201.4	203.5	208.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To prepare persons for professional roles in education and education-related fields.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Certifications/degrees conferred: Professional Preparation Program (PPP) (The PPP includes undergraduate, post-baccalaureate, and certification students).	494	475	500	500
● Certifications/degrees conferred: Graduate students.	243	306	325	325
● Placement of PPP completers as teachers in Arizona and the southwest (percent).	90	90	90	85
● College of Education students enrolled in University honors program (percent).	20	10.2	10	10

- ◆ Goal 2 - To conduct research and engage in scholarship that addresses the educational issues, policies, and activities of the State of Arizona and the nation.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● External funds for research awarded to the College of Education (in millions of dollars).	4.2	6.1	6.5	7.0
● Graduate students supported through grant funds.	38	47	52	56
● Grant funds/tenured and tenure-track faculty (in thousands).	30:1	94:1	74:1	110:1

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● College of Education standing in U.S. News and World Report ranking of U.S. Colleges of Education graduate programs.	30	50	30	25
◆ Goal 3 - To provide outstanding outreach programs that meet the needs of the people and the communities of the State of Arizona.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● College partnerships with school districts and social service agencies.	50	50	50	50

UAA.1.6 SUBPROGRAM SUMMARY  
**COLLEGE OF ENGINEERING AND MINES**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To continuously improve service to students and to advance strategic technology through excellence in education and research, in partnership with industry, government, and the citizens of Arizona.*

**Subprogram Description:**

Engineering education prepares students for a professional career through the study of physical science, mathematics, engineering science and design, humanities, social science, and practice. The College offers degrees through the doctorate. While most graduates embark on careers in engineering practice, many students find the baccalaureate program excellent preparation for fields as diverse as law, medicine, business, and government. Graduates develop analytical and quantitative thinking, a critical but optimistic approach to problem solving, the habit of self-directed future learning, and a thorough understanding of how materials, energy, and information can be adapted to humanity's needs and desires. The Accreditation Board for Engineering and Technology accredits the B.S. degrees in engineering.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,800.8	10,085.0	11,372.9
Other Appropriated Funds	7,898.8	9,575.9	10,369.9
Other Non Appropriated Fund	12,225.7	14,299.8	14,337.6
Federal Funds	21,763.5	22,369.8	23,043.5
Subprogram Total	51,688.8	56,330.5	59,123.9
FTE Positions	605.1	614.4	630.1

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide a distinguished engineering education that will attract and graduate an excellent and diverse student body.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Undergraduate degree-track students retained (percent).	85	86	87	87
● Equivalent years to baccalaureate.	4.6	4.6	4.6	4.6
● Admitted undergraduate students who matriculate.	700	835	835	850
◆ Goal 2 - To lead in research that advances the nation's strategic engineering and environmental technologies.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Scholarly publications per faculty member.	3.10	5.58	3.70	4.0
● External grant awards per faculty member (in thousands of dollars).	200.0	168.5	215.0	220.0
● Supported graduate students per faculty member.	3.10	2.91	3.10	3.10

UAA.1.7 SUBPROGRAM SUMMARY  
**COLLEGE OF FINE ARTS**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To be a source of art, knowledge, and inspiration about the arts for Arizona and the nation. To prepare students to create, to teach, to participate in, and to understand and value the fine arts. To achieve excellence in teaching, the performing and visual arts, and research. To integrate the fine arts into the everyday life of Arizona citizens, and to foster creativity and open and free expression and discussion of the fine arts.*

**Subprogram Description:**

The College of Fine Arts (CFA) educates the thinkers and practitioners who will define the emerging standards for the arts. The University provides a rich environment for training, research, and experimentation in the arts directed by a faculty of practicing professionals and scholars. These artists and scholars teach aesthetic concepts and utilize innovative studio methods, as well as training and resources based on formal traditions and cultural heritage as a means to interpret and create in our contemporary society through creative expression. The academic commitment of fine arts is to audiences as well as artists, outreach to the community as well as to the campus, culture as well as curriculum, and to the dissemination of artistic values or knowledge as well as to the creation of fine arts.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,090.2	6,258.6	7,230.1
Other Appropriated Funds	5,714.2	5,942.8	6,435.6
Other Non Appropriated Fund	3,003.3	3,393.1	3,461.7
Federal Funds	66.6	68.5	70.6
Subprogram Total	15,874.3	15,663.0	17,198.0
FTE Positions	268.8	269.8	276.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide the State of Arizona and the nation with highly qualified artists, teachers, and scholars, well educated in the arts.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Undergraduate degrees conferred.	369	458	425	425
• Graduate degrees conferred.	88	80	85	88
• CFA students in UA Honors Program (percent).	15	15	15	15

- ◆ Goal 2 - To provide creative scholarship that addresses the educational and cultural needs of the State of Arizona and the nation.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• External funding for creative scholarship acquired by the faculty of the College (in thousands of dollars).	610	611	550	575
• Regional, national, and international research and creative activity prizes, honors, and awards received by students and faculty.	150	153	150	150

- ◆ Goal 3 - To provide outreach programs in the visual and performing arts to meet the needs of people and communities of the State.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Performing and visual arts performances/exhibitions by faculty and students (in thousands).	625	475	400	400
• Attendance at faculty and student performances/ exhibits (in thousands).	100	112	100	100
• Tucson-area school districts served by College outreach efforts (percent).	100	100	100	100

UAA.1.8 SUBPROGRAM SUMMARY  
**COLLEGE OF HUMANITIES**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Subprogram Mission:**

*To provide students with the abilities to read and think critically, write persuasively, and speak effectively to a range of audiences. To broaden students' understanding of the variability, complexity, and richness of human cultures across time through the study of languages, literature, and archeological artifacts.*

**Subprogram Description:**

The College of Humanities offers undergraduate and graduate programs dedicated to literacy, language learning, and cross-cultural understanding. The College has seven departments of languages and literatures and several interdisciplinary programs. Special emphases are creative writing, English as a second language, religious studies, classical archaeology, and public programs offered by the Poetry Center and the Humanities Seminars.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	11,211.3	10,336.6	13,888.6
Other Appropriated Funds	9,035.5	9,814.8	10,628.6
Other Non Appropriated Fund	3,580.5	3,595.2	3,676.9
Federal Funds	174.9	179.8	185.2
<b>Subprogram Total</b>	<b>24,002.2</b>	<b>23,926.4</b>	<b>28,379.3</b>
FTE Positions	384.0	385.2	394.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide instruction regarding diverse cultures and cultural values.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Scholarships per College faculty member.	32/150	32/150	32/150	33/150
• Average College course section enrollment per semester (excludes Composition and basic foreign language sections).	36	36	36	36

- ◆ Goal 2 - To integrate the results of scholarship and creative activity with the educational experience.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Ratio of University teaching awards to FTE faculty: College.	8/150	8/150	8/150	8/150
• Internal/external grant support per FTE faculty: College (in dollars).	500	500	500	500
• Regional, national, and international research and creative activity awards, honors, and prizes received by: College-faculty.	6	7	8	9

UAA.1.9 SUBPROGRAM SUMMARY  
**JAMES E. ROGERS COLLEGE OF LAW**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Subprogram Mission:**

*To prepare lawyers with the skills and knowledge for a lifelong ability to practice law in a multicultural society and global environment, and for leadership positions locally and nationally through first-rate teaching, research, and service.*

**Subprogram Description:**

The College of Law is a member of the Association of American Law Schools and is approved by the American Bar Association. The College has a well-rounded traditional program of legal study that has also incorporated new programs and teaching approaches in response to the changing nature of the practice of law. The College focuses on sound, fundamental skills and legal training that provide the core of what every competent, ethical lawyer should know.

**Funding and FTE Amounts:**

(\$ Thousands)

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
General Funds	3,114.5	2,631.4	3,188.2	
Other Appropriated Funds	3,888.2	4,397.5	4,762.1	
Other Non Appropriated Fund	3,156.0	3,168.9	3,241.0	
Federal Funds	75.8	77.9	80.2	
<b>Subprogram Total</b>	<b>10,234.5</b>	<b>10,275.7</b>	<b>11,271.5</b>	
FTE Positions	97.2	98.0	100.4	

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide law students with an excellent and well-rounded legal education in a College that recruits and graduates an outstanding and diverse student body.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Graduation rate within three years of matriculation (percent).	91	90	91	91
● Graduation rate within five years of matriculation (percent).	98	98.7	97	98
● Graduates passing the Arizona Bar the first time (percent).	85	95.5	85	85
● Graduates employed within 6 months after graduation (percent).	93	93	92	92
● Employers surveyed rating students' performance as satisfactory in writing skills (percent).	90	90	90	90
● Employers surveyed rating students' performance as satisfactory in substantive knowledge (percent).	91	91	91	92
● Employers surveyed rating students' performance as satisfactory in analytical skills (percent).	91	91	91	92

- ◆ Goal 2 - To carry out significant legal scholarship and research, and to integrate faculty research into the student educational experience.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Faculty research seminars.	40	40	40	40
● Chairs or professorships (includes full- and part-time).	19	19	21	22

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Visitors and sabbatical visitors.	6	7	5	6
◆ Goal 3 - To provide community support and service to the citizens of Arizona and to the Arizona legal profession.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Employers surveyed rating students' overall performance as satisfactory (percent).	91	91	91	92
● Members of public assisted by law library.	3,750	4,100	4,200	4,200
● College of Law lectures or presentations that are open to the public.	40	40	40	40

UAA.1.10 SUBPROGRAM SUMMARY  
**COLLEGE OF SCIENCE**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To offer high quality undergraduate and graduate programs and conduct research encompassing biological, physical, and mathematical sciences for those needing professional courses of study and research, skills for other professional majors, to teach in public schools, and general education skills. To conduct advanced research and apply knowledge to the solution of important problems of our time.*

**Subprogram Description:**

The College of Science develops new knowledge about the world and its interrelations, and about the means of inquiry in significant areas of science and interdisciplinary areas involving science. It provides students, colleagues worldwide, and the public with knowledge, understanding, and appreciation of the history, findings, applications, and methods of inquiry of science needed to work and participate effectively in resolving the issues of our time. Undergraduate programs in science produce students capable of entering graduate programs at the best universities, and entering careers in research, industry, business, and government. Non-science majors are introduced to science through a general education program designed to connect science to other areas of intellectual endeavor.

**Funding and FTE Amounts:**

(\$ Thousands)

Performance Measures	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
	General Funds	28,072.6	25,037.4
Other Appropriated Funds	22,624.6	23,771.4	25,742.5
Other Non Appropriated Fund	45,304.9	48,037.8	49,615.2
Federal Funds	92,780.1	95,365.4	98,237.3
<b>Subprogram Total</b>	<b>188,782.2</b>	<b>192,212.0</b>	<b>204,700.0</b>
FTE Positions	1,671.6	1,701.9	1,745.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To offer excellent quality undergraduate and graduate educational programs competitive with the best programs nationally.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of graduates placed into high-quality careers and onto distinguished tracks of further graduate or professional education.	80	79	80	81
● Percent of Undergraduate student majors actively involved in research.	38	40	40	40
● Overall teaching ratings as measured by students and peer assessment (scale 1-5, with 5 being the best).	4.39	4.35	4.30	4.30
◆ Goal 2 - To serve the broader essential needs of Arizona by establishing and conducting outstanding programs of scientific research which define human knowledge, as well as provide the basis for the increasingly scientific technology on which our State's and our nation's society and economy are built.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of research publications, including articles, in first-rank refereed journals, as well as books and monographs.	1,564	1,526	1,550	1,550
● Amount of external funding from federal and other sources to support research programs (in millions).	76,919.0	86,561.5	80,000.0	80,000.0
● Number of appointments to prestigious national and international advisory panels and election to substantial office in national or international scholarly societies.	365	362	360	360
● Number of faculty, staff, and students receiving local, national, and international awards, or membership invitations to select societies, in recognition of scholarly accomplishments, teaching, or other educational contributions.	224	227	230	230

UAA.1.11 SUBPROGRAM SUMMARY  
**COLLEGE OF SOCIAL AND BEHAVIORAL SCIENCES**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To offer distinguished undergraduate and graduate education, research, and outreach that focus on the scientific and analytical understanding of individuals and their behavior as members of social groups.*

**Subprogram Description:**

The study of human beings, individually and in social groups, unites the departments and programs of the College of Social and Behavioral Sciences (SBS). The departments and programs provide both disciplinary degrees and majors and minors in a number of interdisciplinary areas. The College promotes fundamental research in individual behavior, cultural expression, social organization, theory and values, and public and private policy. The College serves a public constituency through consulting with professional organizations; working with local, state, and regional organizations on specific issues; and providing expert information and advice to public policy makers.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	16,766.5	14,418.4	18,461.5
Other Appropriated Funds	13,512.6	14,154.1	15,327.7
Other Non Appropriated Fund	6,583.3	7,169.1	7,319.6
Federal Funds	9,257.3	9,515.1	9,801.8
Subprogram Total	46,119.7	45,256.7	50,910.6
FTE Positions	602.1	607.7	622.5

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To maintain and improve the quality of undergraduate education.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Ratio of student FTE per faculty member.	23	23	23	25
● Ratio of Fall Tier I seats offered per instructional faculty member.	40	48	46	50

◆ Goal 2 - To maintain and increase strength of graduate and research programs within the College of Social and Behavioral Sciences.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● The average Graduate Record Exam score of entering graduate students.	1,842	1,845	1,846	1,850
● Ratio of extramural funding proposals submitted per faculty member.	1.20	1.25	1.30	1.50
● Dollar value of extramural funding obtained by faculty and staff (in millions).	14.3	14.5	14.8	16.0

◆ Goal 3 - To enhance the quality and diversity of the College of Social and Behavioral Sciences as a workplace.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Voluntary pre-tenure faculty departures (voluntary means not occasioned by death, retirement, illness, or cause. It does not include departures occasioned by negative tenure decisions.) (percent).	3.0	3.0	2.5	4.0
● Women faculty hires (percent).	58	58	58	70
● Minority faculty hires (percent).	25	27	26	35

UAA.1.12 SUBPROGRAM SUMMARY

**GRADUATE COLLEGE -- ACADEMIC INTERDISCIPLINARY PROGRAMS**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Subprogram Mission:**

*To support and foster the development of superior graduate education programs in scientific, scholarly, and artistic arenas capable of attracting distinguished faculty, outstanding students, and resources; to ensure these programs are representative of the dynamic, diverse, and increasingly technological and global environment; and to nurture those evolving programs that are gaining reputations of academic excellence.*

**Subprogram Description:**

The Graduate College is responsible for maintaining the quality of graduate programs, recruiting and retaining graduate students, providing special programs for recruiting and retaining underrepresented graduate students, providing support services to departments and students, and monitoring the eligibility of all graduate students who have been awarded teaching assistantships and fellowships. The Graduate College works with the Graduate Council to review and establish policies affecting graduate education.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,263.2	1,806.9	2,148.0
Other Appropriated Funds	1,824.0	1,715.8	1,858.1
Other Non Appropriated Fund	4,890.4	4,910.5	5,022.2
Federal Funds	2,873.4	2,953.5	3,042.4
Subprogram Total	11,851.0	11,386.7	12,070.7
FTE Positions	117.8	119.3	122.3

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To assist departments in seeking excellent graduate students by improving the admissions procedures.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Days necessary to process domestic graduate student applications.	15	13	13	13

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Days necessary to process international graduate student applications.	35	25	20	20
● Days between departmental completion of review of application and notification to student regarding recommendation or denial of acceptance into program.	8	7	7	7

◆ Goal 2 - To facilitate and stimulate interdisciplinary scholarship in critical areas.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Budgets assigned to Interdisciplinary Programs for faculty and graduate assistant lines and operations (in millions of dollars).	2.1	2.1	2.1	2.1
● Faculty participating in interdisciplinary programs (percent).	70	88	80	80
● Students majoring in interdisciplinary programs.	500	501	500	500

UAA.1.13 SUBPROGRAM SUMMARY

**EXTENDED UNIVERSITY**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Subprogram Mission:**

*To ensure that the University of Arizona Extended University supports the community by fulfilling its needs for personal and professional growth with educational programs and services advancing the University's mission of outreach and engagement.*

**Subprogram Description:**

Extended University (EU) works closely with the University's academic departments to provide both undergraduate and graduate credit courses to students who are not enrolled full time in daytime campus classes. Credit programs are available in a variety of formats, including video, correspondence, Evening and Weekend Campus (EWC), and computer based courses. EU also offers a range of personal and professional development programs, including fine arts and humanities, languages, writing, elementary-through-high school correspondence courses, elder hostel, computer education, business workshops, and children's programs.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	133.3	172.1	176.1
Other Appropriated Funds	107.4	163.4	177.0
Other Non Appropriated Fund	4,856.5	4,876.3	4,987.3
Federal Funds	494.8	508.5	523.8
Subprogram Total	5,592.0	5,720.3	5,864.2
FTE Positions	50.8	52.3	53.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide opportunities for students to earn University credit and degrees, and achieve their educational goals, outside regular daytime, on-campus classes.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of degree programs available through Evening and Weekend Campus.	8	4	5	5
• Students admitted to degree or certificate programs (EWC, Gerontology Certificate, and cohorts in Business and Engineering).	400	369	376	384
• Prospective adult students who rate EU advising as "very helpful" in helping them return to school (percent).	92	93	93	94
• Adult students who receive advising and graduate from degree or certificate programs (EWC and Gerontology Certificate students only).	15	18	19	20

Effective Spring 2003 - Gerontology certificate program will be housed in Gerontology.

- ◆ Goal 2 - To offer programs to individuals and to organizations to promote a better-educated workforce.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Partnerships with businesses and organizations to provide on-site, noncredit employee training.	7	3	3	3
• Partners who offer off-campus learning sites that can accommodate live instruction, video, computer, and/or correspondence course delivery.	109	118	130	145
• Credit courses using distance technologies.	300	272	305	335

- ◆ Goal 3 - To offer the public learning opportunities that support personal growth and career development through programs for lifelong learning.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• New programs developed each year in response to community input.	32	20	24	28
• Partnerships with schools and community agencies.	268	574	580	600
• K-12 enrollments.	4,200	2,697	2,932	3,169
• EU registrations.	31,776	17,952	19,209	20,553

**Subprogram Mission:**

*To fully integrate undergraduates into the intellectual richness of the University, helping to create an environment that supports and nurtures broad access to higher education.*

**Subprogram Description:**

Units in this subprogram include the Honors Center, the Office of International Programs (OIP), Summer Session, and Military Science. These units screen and advise students who have displayed special aptitude and interest in the unique courses of study offered by these diverse interdisciplinary units, and coordinate general education and inter-college curriculum requirements to assure that degree requirements are met.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,326.1	1,158.0	1,445.4
Other Appropriated Funds	1,068.7	1,099.5	1,190.7
Other Non Appropriated Fund	4,215.7	4,233.0	4,329.3
Federal Funds	61.1	62.9	64.7
<b>Subprogram Total</b>	<b>6,671.6</b>	<b>6,553.4</b>	<b>7,030.1</b>
FTE Positions	69.1	69.8	71.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the quality of entering undergraduates.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Entering freshmen in the top 5% of their high school class (percent).	20.3	33.0	33.0	33.0
• Entering National Merit Scholars.	68	73	75	75
• Average scores of entering freshmen: ACT.	23.7	24.4	24	24
• Average scores of entering freshmen: SAT.	1,106	1,100	1,110	1,110
• Summer of Excellence students who enter the University of Arizona (percent).	63	67	70	73

- ◆ Goal 2 - To improve the quality of graduating seniors.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Honors students graduating with honors (Graduation with honors means the student has completed an undergraduate senior thesis, taken a specified number of honors units, and has a cumulative GPA of at least 3.5).	212	200	210	210
• Honors students graduating with academic distinction (Graduation with academic distinction is based on the students' graduation grade-point average, i.e. Cum Laude 3.5 or greater, Magna Cum Laude 3.7 or greater, Summa Cum Laude 3.9 or greater).	676	480	470	470

UAA.1.14 SUBPROGRAM SUMMARY  
**OTHER ACADEMIC PROGRAMS**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Honors students graduating with honors continuing to graduate, law, or medical school (percent).	74	75	75	75
● Undergraduates awarded prestigious national and international scholarships (Rhodes, Goldwater, Truman, Marshall, Churchill, Javits, Swanson, Luce, Udall, and Fulbright).	9	9	10	10

◆ Goal 3 - To enhance the international aspect of undergraduate education.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Non-international studies majors taking INTS250x-Introduction to International Studies.	60	50	50	50
● International studies majors finding international employment or accepted into graduate programs.	88	80	80	80
● University of Arizona students completing Study Abroad Programs with >3.0 GPA (percent).	76	80	80	80

◆ Goal 4 - To facilitate programs and assist faculty in international teaching, research, and outreach activity.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● University-wide Memoranda of Agreement with international universities or institutions generated with assistance of the Office of International Programs (OIP).	54	47	55	60
● Ratio of foreign travel grant awards to FTE budgeted instructional faculty.	10:1	16:1	15:1	14:1

◆ Goal 5 - To develop cadets/midshipmen mentally, morally, and physically, and to imbue them with the highest ideals of duty, honor, and loyalty in order to commission University of Arizona graduates as military officers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Army ROTC officers commissioned annually.	12	15	15	15
● Navy ROTC officers commissioned annually.	21	29	35	35
● Air Force ROTC officers commissioned annually.	36	35	35	35

◆ Goal 6 - To provide an excellent Humanities Program that integrates teaching, research, and service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Scholarships per Humanities Program faculty member.	.3/1	.3/1	.3/1	.3/1

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average Humanities Program course section enrollment per semester (excludes Composition and basic foreign language sections).	30	30	30	30
● Ratio of University teaching awards to FTE faculty: Humanities Program.	.09/1	.09/1	.09/1	.09/1
● Internal/external grant support per FTE faculty: Humanities Program (in dollars).	800	800	800	800

UAA.1.15                      SUBPROGRAM SUMMARY

**UNIVERSITY OF ARIZONA SOUTH**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Subprogram Mission:**

*To provide quality liberal arts and professional instruction as a branch campus of The University of Arizona that allows the citizens of the State, and primarily Cochise County, to obtain degrees and develop fully their intellectual and professional capabilities as well as gain an appreciation of diversity; to enrich instruction through the integration of technology in resident and distance learning programs; and to foster regional economic development and provide expertise for generating solutions to community problems through the education and public service activities of faculty, staff, and students.*

**Subprogram Description:**

The UA South Campus delivers educational services at the upper division and graduate levels to the residents of southern Arizona and northern Mexico. Students may take lower-division courses at any Arizona Community College and upper-division university credit work at UA South for a complete undergraduate degree program in Interdisciplinary Studies, Political Science, Psychology, Computer Science, Mathematics, English, History, Latin American Studies, Spanish, Family Studies, Elementary and Secondary Education, and Postbaccalaureate Certifications in Elementary and Secondary Education. Master's degree programs are offered in Bilingual/Multicultural Education, Teaching and Teacher Education, English, and Educational Psychology. Classes toward the Bachelor of Science will begin Fall 2003.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,839.7	2,244.6	3,243.2
Other Appropriated Funds	1,123.8	1,101.4	1,192.7
Other Non Appropriated Fund	227.7	228.6	233.8
Federal Funds	1,400.9	1,439.9	1,483.3
<b>Subprogram Total</b>	<b>4,592.1</b>	<b>5,014.5</b>	<b>6,153.0</b>
FTE Positions	72.0	72.6	74.5

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To promote a learner-centered environment.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Student FTE ( fall).	256	358	490	750
● Degree programs.	19	20	21	21
● Credit course sections offered.	138	175	200	228
● Graduates, baccalaureate, Master's, and post-baccalaureate certifications.	100	84	115	145
● Graduates per ranked faculty.	8	4	4.8	4.25
◆ Goal 2 - To serve local, regional, and global communities.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cooperative extension faculty and support staff FTE.	13	13	13	13
● Students enrolled in non-credit programs.	15,000	24,750	28,215	32,165
● Amount generated toward Campaign 2000 (in thousands of dollars).	400	737	500	700

◆ Goal 3 - To provide seamless pathways to success

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of new collaborative efforts.	6	10	10	10
● Percentage of students completing AGEC.	25	17	20	20

UAA.1.16 SUBPROGRAM SUMMARY  
**ARIZONA INTERNATIONAL COLLEGE**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To provide Arizona's diverse population a distinctive liberal arts and practical undergraduate education for an increasingly technological and global society. To offer a distinctive, innovative curriculum with a value-added approach to student learning. To prepare students for life and work in an increasingly interdependent political, cultural, and commercial world, through an emphasis on international perspectives.*

**Subprogram Description:**

Arizona International offers premier liberal arts education, while emphasizing a multicultural, global perspective. The programs focus on basic skills and competencies by providing a broad and intensive foundation across the generally recognized areas of knowledge (natural sciences and mathematics, humanities, social sciences, fine and performing arts, etc.), while emphasizing a multicultural, global perspective. Students participate in interdisciplinary learning communities, service learning, and career internships. The instructional strategies provide maximum utilization of institutional and community resources. Arizona International's culture emphasizes excellence, quality, and clear outcomes, with a formalized assessment program that is an integral part of the overall educational program.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	616.9	664.3	429.3
Other Appropriated Funds	497.2	630.8	683.1
Other Non Appropriated Fund	51.9	52.1	53.3
Federal Funds	-30.7	-31.5	-32.5
Subprogram Total	1,135.3	1,315.7	1,133.2
FTE Positions	18.8	18.8	19.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide Arizona residents with a top-quality, cost efficient, undergraduate liberal arts education that is individualized and student focused. (Note: AIC enrolled its first class in FY97.)

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average yearly credits taught by full-time faculty members.	18	18	18	18
● Fall courses taught by full-time faculty (percent).	95	95	98	100
● Full-time students being graduated in six years (percent).	56	56	65	75

- ◆ Goal 2 - To support Arizona International's commitment to student talent development by establishing a rigorous evaluation as part of the student s ongoing academic work, and to quantify the "value added" as a result of the efforts of both the student and the faculty/staff.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Graduates who indicate a positive attitude toward lifelong learning and community service on a follow up survey (percent).	78	78	78	78

- ◆ Goal 3 - To identify, enroll, and graduate a diverse body of students who align with the AIC mission.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Continuing students enrolled in AIC during fall semester.	210	105	86	40
● New students enrolled in AIC during the fall semester.	180	0	0	0
● Minority students enrolled in the Fall term (percent).	38	30	30	30

- ◆ Goal 4 - To provide Arizona residents with an innovative and practical liberal arts education.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Formal agreements with non-profit and government agencies to provide service opportunities for upper-division undergraduates.	45	50	50	50
● Formal agreements with local business and government entities for offering career studies opportunities for upper-division undergraduates.	35	40	45	45
● Undergraduate students who complete a capstone research project.	30	40	45	40

UAA.1.17	<b>SUBPROGRAM SUMMARY</b>
	<b>UNIVERSITY LIBRARIES</b>
Contact:	Edward Frisch, Asst. V.P., Resource Planning & Management
Phone:	(520) 621-7766
	A.R.S. § 15-1601

**Subprogram Mission:**

*To promote life-long learning skills and continuous educational achievement, the University of Arizona Library is dedicated to meeting the diverse education and research needs of students, faculty, staff, and other customers in an environment of free and open inquiry and with a commitment to excellence.*

**Subprogram Description:**

The Library system contains more than 9,000,000 items, including books, journals, maps, government publications, and manuscripts. In an environment of free and open inquiry and with a commitment to excellence, team-based Library personnel provide leadership in the development of information policy, and the Library itself plays a key role in instruction, cultural transmission, and scholarly communication. The Library is a member of the Center for Research Libraries, Association of Research Libraries, the Arizona University Libraries Consortium, and the Greater Western Libraries Alliance.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	17,061.4	18,343.5	19,571.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	3,916.0	4,015.3	4,104.8
Federal Funds	50.9	52.3	53.9
<b>Subprogram Total</b>	<b>21,028.3</b>	<b>22,411.1</b>	<b>23,729.8</b>
FTE Positions	243.0	243.6	249.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the Library's technological systems and processes that enable customers to identify and quickly obtain electronically customized information in a seamless, anytime, anywhere, unmediated transaction and to ensure the availability of resources which meet our customers' needs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Scholarly electronic resources newly developed by the Library and available remotely to customers.	126	203	150	150
● Degree to which access to electronic information exceeds customers' minimum expectations (percent).	2.5	4.2	10	10
● Interactions per year with individuals in the campus community that include Scholarly Communication education/advocacy components.	1,054	1,264	1,000	1,000

- ◆ Goal 2 - To improve the Library's ability to design and implement learning processes that enable our customers to obtain, evaluate and integrate needed information into their research and learning.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● General Education courses that have information literacy components and include one or more learning outcome assessments.	126	235	200	200

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>All other non-General Education course related classes for UA students which have information literacy components and include one or more learning outcome assessments.</li> </ul>	165	111	125	125
<ul style="list-style-type: none"> <li>Partnerships with faculty that impact course content to include information literacy components.</li> </ul>	207	227	250	250
<ul style="list-style-type: none"> <li>◆ Goal 3 - To improve the Library's infrastructure so that we have the ability to learn, change and communicate in order to be accountable to our external and internal customers.</li> </ul>				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Degree to which the library as a place that facilitates research and study exceeds customers' minimum expectations (percent).</li> </ul>	8.5	13	15	15
<ul style="list-style-type: none"> <li>Savings through consortial agreements (in thousands of dollars).</li> </ul>	274	315	300	300
<ul style="list-style-type: none"> <li>Reallocations through continuous improvement of processes (in thousands of dollars).</li> </ul>	93	106	100	100
<ul style="list-style-type: none"> <li>Costs avoided through consortial agreements (in thousands of dollars).</li> </ul>	2,617	2,823	3,000	3,000

UAA.1.18 SUBPROGRAM SUMMARY  
**ACADEMIC COMPUTING**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

**Subprogram Mission:**

*To provide information technology tools and services in support of an electronic learning environment.*

**Subprogram Description:**

The Academic Computing subprogram includes the operation of general and special purpose computer labs and terminal access sites, a Faculty Center for Instructional Innovation, multimedia production and teaching facilities, consulting services, and operation of centralized computing resources that host applications and act as servers in support of teaching and research. This subprogram is also responsible for coordination of the University's software site license program.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,141.1	4,269.0	4,506.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	130.6	131.1	134.1
Federal Funds	0.0	0.0	0.0
Subprogram Total	4,271.7	4,400.1	4,640.1
FTE Positions	64.9	64.9	66.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To devise and implement policies and processes aimed at the most effective use of information technology.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Annual savings from the University's software site license program (in millions of dollars).</li> </ul>	4.6	4.5	4.4	4.5

- ◆ Goal 2 - To provide a strong technology support environment for the new teaching and learning methodologies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
<ul style="list-style-type: none"> <li>Number of instructional workstations.</li> </ul>	2,924	2,364	2,350	2,350

UAA.1.19 SUBPROGRAM SUMMARY  
**ACADEMIC SUPPORT**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

**Subprogram Mission:**

*To increase student, faculty, and community understanding and appreciation of the visual arts and cultural history; to collect, care for, exhibit, and interpret original works of art, material objects, and information from the past and present; to publish the results of research, scholarship, and creative activity, ensuring further access to knowledge and information resources.*

**Subprogram Description:**

Units comprising the Academic Support subprogram include campus museums and the UA Press. These units present a continuous series of temporary exhibitions that complement the permanent collections of artwork spanning the Middle Ages through the 20th century and prehistoric and recent artifacts from Indian cultures of Arizona and the Southwest, plus publish books and electronic media in such areas as anthropology, archaeology, astronomy, Native American literature and culture, geography, natural history, women's studies, the environment, the American west, and Latin American studies. Book marketing services are also offered to nonprofit organizations.

**Funding and FTE Amounts:**

(\$ Thousands)

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
General Funds	3,841.4	3,816.0	4,059.8	
Other Appropriated Funds	0.0	0.0	0.0	
Other Non Appropriated Fund	3,973.1	3,989.3	4,080.1	
Federal Funds	1,296.6	1,332.8	1,372.8	
Subprogram Total	9,111.1	9,138.1	9,512.7	
FTE Positions	153.3	155.5	159.4	

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure effective access to knowledge and other resources to deliver outstanding education programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Undergraduate students with practical museum, laboratory, or field experience.	159	150	158	158
• Graduate students with practical museum, laboratory, or field experience (percent).	52	43	52	53
• Student credit hours taught by museum curators.	701	478	408	438
• Individuals accessing museum resources electronically.	140,000	190,000	240,000	280,000

- ◆ Goal 2 - To attain excellent viewing experiences and an increased understanding of arts and cultural diversity.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Square feet of exhibits.	13,200	13,200	13,200	13,200
• Visitors.	41,823	43,000	43,000	46,000
• Visitors satisfied with educational experience (percent).	98	95	95	95
• School children given tours.	7,282	7,200	7,200	7,200
• Adult visitors taking part in museum programs.	34,541	33,000	36,000	39,000

- ◆ Goal 3 - To increase the number of impressions on behalf of the University in reviews, advertisements, direct mail, exhibits, radio, television, electronic media, and public events related to UA Press books, while maintaining the cost per impression.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Impressions (in millions) (An impression is one instance of exposing one person to the name of the University of Arizona. For example, an advertisement in a journal with 2,000 subscribers makes 2,000 impressions, counted conservatively.)	13.0	12.85	12.85	12.85
• Dollars cost per impression (Ad \$/impression, benchmark, ad agency ideal is \$.03-.10).	0.02	0.02	0.02	0.02
• Books sold (in thousands).	173.0	180.0	180.0	180.0

- ◆ Goal 4 - To contribute to knowledge by increasing the number of new books (titles) published, while increasing operational efficiency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• New titles published .	55	51	55	55
• New titles/staff member.	2.18	2.04	2.2	2.2
• Operations cost/cost of goods sold.	2.11	2.48	2.48	2.48

- ◆ Goal 5 - To broaden the Press' financial base through sales and fundraising and to recover lost marketing service income.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Sales income (in thousands of dollars).	1,603	1,698	1,725	1,725
• Marketing service income (in thousands of dollars).	87	90	95	95
• Funds raised (in thousands of dollars).	27	31	35	35

UAA.1.20 SUBPROGRAM SUMMARY  
**ACADEMIC AFFAIRS ADMINISTRATION**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Subprogram Mission:**

To provide the University of Arizona with leadership in developing and administering the academic policies necessary to enable it to effectively and efficiently pursue the institution's academic mission.

**Subprogram Description:**

Academic Affairs Administration has overall responsibility for the quality and integrity of all academic programs of the University, overseeing academic planning and budgeting, personnel, curriculum, undergraduate and graduate instruction, research, academically-based service activities, and student affairs. Among its functions is to represent the University in interactions with internal and external constituencies, sister universities, members of the Board of Regents, legislators, student and faculty leaders, and representatives of the media.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	16,561.7	20,750.6	22,281.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	3,450.4	4,940.3	5,019.3
Federal Funds	507.3	521.5	537.1
<b>Subprogram Total</b>	<b>20,519.4</b>	<b>26,212.4</b>	<b>27,838.2</b>
FTE Positions	273.4	274.4	281.3

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Dollars internally reallocated to priority academic units (in thousands of dollars).	2,650.9	3,200	2,500.0	2,500
● Academic degree programs reviewed centrally for productivity (percent).	100	100	100	100
● Academic programs reviewed for quality and effectiveness.	14	11	13	27

- ◆ Goal 2 - To improve instructional delivery.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Classrooms that are updated for new learning technologies.	179	179	182	190
● Departments offering an undergraduate capstone research experience (percent).	100	100	100	100
● Graduating seniors who rate their overall University experience as good or excellent (percent).	96	95	95	95

<p>UAA.2                    <b>PROGRAM SUMMARY</b>  <b>ORGANIZED RESEARCH</b></p> <p>Contact: Edward Frisch, Asst. V.P., Resource Planning &amp; Management</p> <p>Phone: (520) 621-7766</p> <p>A.R.S. § 15-1601</p>
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**Program Mission:**

To provide quality research in areas important to the State and nation; to bring into the classroom leading edge knowledge; to make available to students the most modern technology; and to provide service to the State, federal agencies, and the private sector.

**Program Description:**

Organized Research includes activities 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.

**This Program Contains the following Subprograms:**

- ▶ University-wide Organized Research
- ▶ Agriculture Research Experiment Station
- ▶ College-based Sponsored Research and Interdisciplinary Research Programs
- ▶ Organized Research Administration and Support

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	28,126.6	24,549.8	25,917.6
Other Appropriated Funds	3,595.7	3,303.1	3,577.0
Other Non-Appropriated Fund	47,657.7	52,167.7	53,081.9
Federal Funds	49,730.0	51,120.2	52,659.7
<b>Program Total</b>	<b>129,110.0</b>	<b>131,140.8</b>	<b>135,236.2</b>
FTE Positions	1,488.8	1,519.8	1,558.5

<p>UAA.2.1                    <b>SUBPROGRAM SUMMARY</b>  <b>UNIVERSITY-WIDE ORGANIZED RESEARCH</b></p> <p>Contact: Edward Frisch, Asst. V.P., Resource Planning &amp; Management</p> <p>Phone: (520) 621-7766</p> <p>A.R.S. § 15-1601</p>
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**Subprogram Mission:**

To maintain and develop research programs in areas critical to the State, region, nation, and internationally; to maintain and develop cutting edge interdisciplinary programs.

**Subprogram Description:**

To provide a University-wide environment under the supervision of the Vice President for Research conducive to maintaining a ranking in the Top 20 Doctoral/Research University Extensive under the National Science Foundation criteria. To assist in providing an environment of excellence conducive to the educational goals of the State of Arizona through its universities, with special emphasis on post-baccalaureate programs in both traditional and innovative curricula. To provide the necessary infrastructure to support the transfer of technology to benefit the economy of the State.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,243.7	6,122.7	6,232.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	17,850.0	21,418.8	21,849.9
Federal Funds	23,921.4	24,592.4	25,333.2
<b>Subprogram Total</b>	<b>48,015.1</b>	<b>52,133.9</b>	<b>53,415.1</b>
FTE Positions	457.7	469.6	481.6

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase external funding for organized research programs relative to peer institutions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● External funding obtained by organized research units (in millions of dollars).	67	67	67	67
● National Science Foundation Research ranking (publics).	15	15	15	15

- ◆ Goal 2 - To increase the level of student participation in organized research programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Available undergraduate and graduate research assistantships	1,316	1,392	1,492	1,492

- ◆ Goal 3 - To expand and improve interdisciplinary programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● External support obtained by interdisciplinary programs (in thousands of dollars).	325.0	325.0	330.0	338.0

**Subprogram Mission:**

To promote quality scientific and scholarly research, including graduate-level instruction programs, by highlighting state priorities and consideration for regional, national, and international needs in the fields of Animal Systems; Environment and Natural Resources; Family, Youth, and Community; Human Nutrition, Food, Safety, and Health; Marketing, Trade, and Economics; and Plant Systems.

**Subprogram Description:**

The Agricultural Experiment Station is the administrative entity for research activities in the College of Agriculture and Life Sciences. The research program is very broad and is designed to address needs of the State, nation, and world. Many activities are interdisciplinary efforts among 2 schools and 10 departments, 11 field-based agricultural research centers, 13 special programs/support units, and cooperative efforts with the private sector, government, other departments at the University of Arizona, and other universities. Faculty involved in the Agricultural Experiment Station have joint appointments either in the Academic Programs or Cooperative Extension components of the College of Agriculture and Life Sciences.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	19,941.7	16,319.4	16,544.4
Other Appropriated Funds	3,595.7	3,303.1	3,577.0
Other Non Appropriated Fund	18,701.3	18,828.0	19,365.3
Federal Funds	25,393.4	26,100.9	26,886.8
<b>Subprogram Total</b>	<b>67,632.1</b>	<b>64,551.4</b>	<b>66,373.5</b>
FTE Positions	842.7	857.4	879.2

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To consider the needs of the State in developing research programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Research projects applicable to county needs.	198	200	200	200
● Average years from problem identification to solution (project completion).	3	3	3	4
● Applicable projects resulting in a publication.	124	150	155	160

- ◆ Goal 2 - To increase sponsored research from external sources.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Sponsored funds (in millions of dollars).	33	35	36	36
● All research funds from competitive sources (percent).	58	57	58	59
● Awards (approvals) to applications (proposal submissions) (percent).	76	76	75	75

UAA.2.2 SUBPROGRAM SUMMARY  
**AGRICULTURE RESEARCH EXPERIMENT STATION**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

UAA.2.3 SUBPROGRAM SUMMARY  
**COLLEGE-BASED SPONSORED RESEARCH AND INTERDISCIPLINARY RESEARCH PROGRAMS**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To maintain and develop college-based research and graduate programs, including interdisciplinary research programs, in areas critical to the State, the nation, and the world, and to transfer new knowledge to the private sector.*

**Subprogram Description:**

To foster a college-based and interdisciplinary environment conducive to maintaining a ranking in the Top 20 Research I Universities under the National Science Foundation criteria; to assist in providing the environment of excellence conducive to the educational goals of the State of Arizona through its universities, with special emphasis on post-baccalaureate programs in both traditional and innovative curricula; to provide the necessary infrastructure to support the transfer of technology to benefit the economy of the State of Arizona. (NOTE: Funds and personnel are disbursed among a number of colleges.)

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	995.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	11.5	11.5	11.8
Federal Funds	0.0	0.0	0.0
Subprogram Total	11.5	11.5	1,007.3
FTE Positions	0.3	0.3	0.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the level of external funding for college-based and interdisciplinary research programs relative to peer institutions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● External funding obtained by college-based research programs (in millions).	170	170	175	175
● Ratio of percent increase in University of Arizona research expenditures to percent increase in peer institution research expenditures (The measure for this year is based on 1996 data from the National Science Foundation, the most recent data available from that source. Subsequent year's measures will also lag by a year or more.)	1.0	1.0	1.0	1.0

- ◆ Goal 2 - To increase the quality of students majoring or participating in research in the college-based and interdisciplinary research programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average Graduate Record Examination (GRE) scores of new graduate students: verbal.	527	536	536	536
● Average GRE scores of new graduate students: composite.	1,763	1,768	1,768	1,768
● Average Grade point average of graduates.	3.76	3.75	3.76	3.78

- ◆ Goal 3 - To effectively transfer new technology to the private sector and form partnerships with State agencies and private sector concerns.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Technology disclosures.	111	111	134	143
● Patent applications submitted by UA.	79	75	96	105
● Licenses obtained.	29	29	35	38
● Partnerships with state agencies.	3	1	3	3
● Partnerships with private sector concerns.	104	221	126	126

UAA.2.4 SUBPROGRAM SUMMARY  
**ORGANIZED RESEARCH ADMINISTRATION AND SUPPORT**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To support the research mission of the University to initiate and carry out significant scholarly research by providing the infrastructure necessary to remain one of the nation's premier research universities.*

**Subprogram Description:**

To provide services that help researchers identify external funds, secure support, and ensure accountability when funds are received; to represent University interests in negotiating the complete costs of undertaking research and in providing advice regarding the allocation of indirect costs; to ensure the existence and competence of federally mandated research oversight committees which provide for public safety and ethical scientific procedures; to assure the highest standards of use of animals in research; to provide patent protection for new ideas, promote their commercialization, and in so doing, protect the intellectual property of the State; and to provide expertise for research instrument fabrication.

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,941.2	2,107.7	2,145.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	11,094.9	11,909.4	11,854.9
Federal Funds	415.2	426.9	439.7
Subprogram Total	13,451.3	14,444.0	14,440.3
FTE Positions	188.1	192.5	197.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve support services necessary for high quality, nationally competitive research programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Units achieving federal accreditation.	100	100	100	100

- ◆ Goal 2 - To improve the University's national research standing.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● National Science Foundation research ranking (publics).	15	15	15	15

<p>UAA.3 PROGRAM SUMMARY  <b>COMMUNITY OUTREACH</b></p> <p>Contact: Edward Frisch, Asst. V.P., Resource Planning &amp; Management                  Phone: (520) 621-7766                  A.R.S.§ 15-1601</p>
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**Program Mission:**

*To serve the public by providing excellent outreach programs and activities; to increase the effectiveness and visibility of the University's academic outreach; to assist units that support the University's academic aims to fulfill their responsibilities with excellence and efficiency by providing assistance, oversight, and advocacy.*

**Program Description:**

Outreach includes activities established primarily to provide instructional and non-instructional services beneficial to individuals and groups external to the University. Outreach includes

conferences, general advisory services, reference bureaus, public radio and television, cultural events, consulting, and similar instructional and non-instructional services to particular sectors of the community.

**This Program Contains the following Subprograms:**

- ▶ Agriculture Cooperative Extension Services
- ▶ UApresents (formerly Cultural Affairs)
- ▶ Kumat Communications
- ▶ Intercollegiate Athletics

	Funding and FTE Amounts: (\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	15,162.1	11,930.8	12,563.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	48,946.4	49,146.5	50,264.9
Federal Funds	5,631.6	5,788.4	5,962.7
Program Total	69,740.1	66,865.7	68,791.3
FTE Positions	657.8	647.4	663.9

<p>UAA.3.1 SUBPROGRAM SUMMARY  <b>AGRICULTURE COOPERATIVE EXTENSION SERVICES</b></p> <p>Contact: Edward Frisch, Asst. V.P., Resource Planning &amp; Management                  Phone: (520) 621-7766                  A.R.S.§ 15-1601</p>
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**Subprogram Mission:**

To provide not-for-credit life-long educational programs for all Arizonans statewide, fulfilling the central land-grant university mission of discovery, integration, application, and transfer of knowledge. Cooperative Extension is the major outreach arm of the University of Arizona.

**Subprogram Description:**

Cooperative Extension makes science useful for the people of Arizona. Cooperative Extension provides programs in food, fiber, natural resources, family, youth, and community development. In support of these programs, 15,470 certified volunteers wear the "U of A badge". Over 100,889 young people are enrolled in 4-H Youth Development Programs; of these, more than 50% are minorities or ethnically diverse populations.

With 15 County Extension offices and ten satellite offices, six of which are located on Indian Reservations, Cooperative Extension is a network of county-based and campus-based faculty which provides practical education for use in dealing with critical issues that influence daily life.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	11,048.5	9,276.6	9,741.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	3,520.0	3,534.4	3,614.8
Federal Funds	4,429.8	4,553.2	4,690.3
Subprogram Total	18,998.3	17,364.2	18,046.7
FTE Positions	277.3	280.7	287.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To identify critical needs of Arizona's residents that can be addressed through county program delivery.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Needs assessments completed (1 per county).	15	15	15	15
● Focus area programs delivered (Environmental and Natural Resources, Family, Youth and Community, Human Nutrition, Food Safety and Health, Marketing Trade and Economics, Animal and Plant Systems).	6	6	6	6

- ◆ Goal 2 - To deliver significant educational experiences to Arizona residents statewide.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Face-to-face educational contacts (in thousands).	286	325	350	400
*New reporting system gathers more timely and accurate data which reflects that earlier numbers were probably too high.				
● Publications on the World Wide Web.	475	600	700	750
● Documentary reports to the County Board of Supervisors and Native American Councils measuring program delivery accomplishments.	20	20	20	22

UAA.3.2 SUBPROGRAM SUMMARY

**UAPRESENTS (FORMERLY CULTURAL AFFAIRS)**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

To educate, enlighten and inspire by bringing performing arts and artists together with diverse communities of southern Arizona.

**Subprogram Description:**

UApresents is the largest professional performing arts presenter in the southern Arizona region. The program commissions new works from nationally recognized performing artists; brings classical and contemporary performers from around the world to southern Arizona; markets them to the University and surrounding communities; insures maximum impact of the artist on the community through a comprehensive outreach program; creates mutually beneficial programs with academic units, student organizations, the K-12 education system, and a broad range of community based organizations; and manages Centennial Hall on the University of Arizona campus.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	677.1	647.7	689.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	6,893.5	6,921.7	7,079.2
Federal Funds	39.0	40.1	41.3
Subprogram Total	7,609.6	7,609.5	7,809.9
FTE Positions	51.6	52.9	54.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase accessibility of UApresents programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total event audience for entire season comprised of University students (percent).	25	10	15	15
● Total seats utilized (percent).	68	60	70	70

- ◆ Goal 2 - To enhance the socially and ethnically diverse options in the annual performing arts programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total season performances by United States based performing artists (percent).	60	58	58	56
● Culturally and ethnically diverse programs (percent).	60	73	61	60
● Internationally based programs (percent).	40	42	42	44

- ◆ Goal 3 - To create a strong performance-related community outreach program that serves an increasingly broad spectrum of southern Arizona residents.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Outreach programs (*comprised of campus lectures, classes, and open rehearsals) offered to the University community (percent) (At current staffing levels our goal is to maintain these critical programs and not let them slip.).	25	23	20	20
● Outreach programs involving Tucson public school children* (percent).	20	21	20	20
● Outreach programs open to the public (percent).	55	55	50	50

UAA.3.3 SUBPROGRAM SUMMARY  
**KUAT COMMUNICATIONS**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

**Subprogram Mission:**

*To enhance the transmission of knowledge by providing the citizens of southeastern Arizona with a unique high-quality television and radio service; to transmit educational, public affairs, and entertainment programming based upon the needs of the community.*

**Subprogram Description:**

For the benefit of the University of Arizona, KUAT operates several telecommunications production and delivery systems: three broadcast National Public Radio affiliated radio stations (KUAZ-AM, KUAZ-FM and KUAT-FM); a full-powered Public Broadcasting System affiliated television station (Channel 6) with a repeater station (Channel 27); a nineteen channel microwave Instructional Television Fixed Service (ITFS) for distribution of credit courses and educational materials used in campus classrooms and by business, industry, and the general public; and the southern connection of the state-wide NAUNet microwave system used for videoconferencing and the transmission of telecourses among the three state universities.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,110.9	2,006.5	2,132.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	5,517.5	5,540.0	5,666.1
Federal Funds	1,065.3	1,094.9	1,127.9
Subprogram Total	8,693.7	8,641.4	8,926.7
FTE Positions	93.7	95.0	97.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase nonappropriated funding levels from corporate and individual major donors for television and radio to replace declining federal funding.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Dollars received from corporate underwriters (in thousands).	607.7	625.9	650.0	675.0
● Dollars received from individual members and major donors (in thousands).	2,334.0	2,300.0	2,369.0	2,440.0

- ◆ Goal 2 - To increase share of households (hh) viewing Channel 6 during sign on to sign off.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Nielson Ratings Book Figures (in thousands) (hh).	159	156	156	156

- ◆ Goal 3 - To increase weekly listenership on KUAT and KUAZ radio.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Arbitron Ratings Book (in thousands).	108.0	116	120	120

- ◆ Goal 4 - To increase the number of credit courses produced through VideoServices.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Credit courses.	35	29	38	36

UAA.3.4 SUBPROGRAM SUMMARY  
**INTERCOLLEGIATE ATHLETICS**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

**Subprogram Mission:**

*To pursue excellence in Intercollegiate Athletics through educational opportunity, physical activity, cultural diversity, public service, and extracurricular endeavor; to enhance the personal welfare of The University of Arizona's student athletes and ensure their integration into the mainstream of campus life.*

**Subprogram Description:**

The Intercollegiate Athletics (ICA) Department conducts a challenging program in 8 sports for men (M) and 11 for women (W): baseball (M), basketball (M/W), cross country (M/W), football (M), golf (M/W), gymnastics (W), soccer (W), softball (W), swimming and diving (M/W), tennis (M/W), track and field (M/W), indoor track and field (W), and volleyball (W). ICA continues its plans to enhance its women's programs. The University is a member of the NCAA, and both the men's and women's programs are conducted under NCAA rules, with opportunities to participate in NCAA championships.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,325.6	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	33,015.4	33,150.4	33,904.8
Federal Funds	97.5	100.2	103.2
<b>Subprogram Total</b>	<b>34,438.5</b>	<b>33,250.6</b>	<b>34,008.0</b>
FTE Positions	235.2	218.8	224.4

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To improve ICA Academic Programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Student-athletes earning a GPA of 3.0 or higher (percent).	35	34	35	35
● Participation by student-athletes in ICA orientation sessions.	100	100	100	100
● Student-athletes that graduate (percent).	44	60	60	60

◆ Goal 2 - To develop the ICA Financial Plan.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Increase in unrestricted gifting base (percent).	15	36	20	20
● Operations budget growth (except for inflation factor or extraordinary circumstances, e.g., participation in bowl games) (percent).	2	2	2	2
● Stable fund balance (in thousands).	116	700	100	100

◆ Goal 3 - To advance athletic competition.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Collegiate program national standing.	5th	16th	Top 10	Top 10

UAA.4

PROGRAM SUMMARY

**STUDENT AFFAIRS AND CAMPUS LIFE**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Program 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 regulations; 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.*

**Program 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.

**This Program Contains the following Subprograms:**

- ▶ Dean of Students/student Life
- ▶ Enrollment Services
- ▶ Health and Wellness
- ▶ Campus Life Leadership

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,715.3	9,635.9	10,031.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	90,434.3	91,176.3	92,870.5
Federal Funds	25,147.5	25,847.9	26,626.4
<b>Program Total</b>	<b>125,297.1</b>	<b>126,660.1</b>	<b>129,528.7</b>
FTE Positions	1,389.5	1,426.0	1,462.6

UAA.4.1

SUBPROGRAM SUMMARY

**DEAN OF STUDENTS/STUDENT LIFE**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Subprogram Mission:**

*To promote social, ethical, and skill development as part of a planned student life experience by providing opportunities for students to synthesize and apply in class learning through out-of-class co-curricular experiences. To provide experiences that foster students' development in becoming responsible, contributing members of the University and the larger community.*

**Subprogram Description:**

Programs of the Dean of Students Office, Multicultural Programs and Services, Student Programs, ROTC, Residence Life, the Associated Students, Arizona Student Media, the Bookstore, Career Services, and the Arizona Student Unions promote the personal and career development of students. Opportunities are provided for students to participate in student support and development programs such as service learning, faculty mentoring, student clubs, volunteer community service, and residential education. These programs are designed to include a wide variety of academic and intellectual interests, social, ethical, and other challenges, as well as diverse attitudes, values, and cultures.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	3,310.2	3,629.4	3,778.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	61,936.7	62,562.2	63,605.3
Federal Funds	220.7	226.8	233.7
<b>Subprogram Total</b>	<b>65,467.6</b>	<b>66,418.4</b>	<b>67,617.9</b>
FTE Positions	827.9	852.0	873.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide unique environments that enable students from traditionally underrepresented groups to feel a sense of "connection" to the campus community.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Students using the Cultural Resource Centers.	7,950	8,200	8,450	8,750
● Students who indicate involvement with the Cultural Resource Centers has positively impacted their sense of belonging at the University (percent).	89	90	91	92

- ◆ Goal 2 - To provide leadership development opportunities for a diverse student population.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Programs offered through the Department of Student Programs that provide for participation by all students.	900	950	1,000	1,050
● Students participating in student clubs, organizations, community service, and other activities.	12,000	12,250	12,500	12,900
● Students who indicate participation in these programs has positively impacted their sense of belonging at the University (percent).	90	92	94	94

UAA.4.2 SUBPROGRAM SUMMARY  
ENROLLMENT SERVICES

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

**Subprogram Mission:**

*To fully integrate undergraduates into the intellectual richness of the University, helping to create an environment that supports and nurtures broad access to higher education.*

**Subprogram Description:**

Enrollment Services is composed of the units that formulate and implement policies and processes for a coherent group of services dedicated to the recruitment and retention of a diverse and talented student body. These units facilitate and provide direct services toward the scholastic preparation, admission, financial support, registration, academic success, efficient degree completion, and career preparation and placement of students.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	4,480.3	4,127.6	4,297.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	15,052.3	15,113.8	15,457.8
Federal Funds	24,572.7	25,257.1	26,017.8
<b>Subprogram Total</b>	<b>44,105.3</b>	<b>44,498.5</b>	<b>45,772.7</b>
FTE Positions	268.9	273.9	280.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To communicate the necessity for academic preparation for college to middle and high school students.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Middle and high school students engaged in Early Outreach efforts (in 64 public schools).	3,377	5,000	5,000	5,000
● University faculty members participating in Early Outreach's various programs.	25	150	25	25
● Early Outreach high school seniors enrolling as first time, full-time freshmen at the University of Arizona (percent).	76	78	78	78

- ◆ Goal 2 - To admit a freshman class well-prepared for University work.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Quality of freshman class based on: high school grade point average.	3.40	3.42	3.44	3.46
● Quality of freshman class based on: SAT scores.	1,110	1,115	1,120	1,125

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Quality of freshman class based on: average high school academic units.	20.0	20.0	20.0	20.0

- ◆ Goal 3 - To improve the effectiveness of the student registration system.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● University petitions related to registrations filed per year.	391	457	460	460
● Change-of-schedule forms processed per year.	16,220	28,237	28,237	28,000

- ◆ Goal 4 - To support the University commitment to increase student persistence and graduation rates by contributing a positive first year experience for students.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● First-year students participating in Career Services activities.	992	1,329	1,000	1,000

UAA.4.3      **SUBPROGRAM SUMMARY**  
**HEALTH AND WELLNESS**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To provide health and wellness services, recreational opportunities and facilities, resources for full access for individuals with disabilities, and an enhanced program of support for students with learning disabilities.*

**Subprogram Description:**

The Health and Wellness Unit is composed of four departments that contribute to the overall mission of the University and Campus Life. The Campus Health Service is an accredited full service ambulatory health center that offers clinical medicine, alternative healing methods, counseling, disease prevention and health promotion services to the university community. The Department of Campus Recreation provides programs, facilities and educational opportunities that seek to meet the diverse recreational, fitness and wellness needs of our students and community. The Disability Resource Center is committed to facilitating full access for students, faculty/staff and campus visitors with disabilities through reasonable accommodations, innovative programming and consultation, collaboration and systems change. The SALT (Strategic Alternative Learning Techniques) Center offers an enhanced program of support for students with learning disabilities and/or ADHD.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,486.4	1,470.0	1,530.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	13,321.8	13,376.3	13,680.6
Federal Funds	354.1	364.0	374.9
<b>Subprogram Total</b>	<b>15,162.3</b>	<b>15,210.3</b>	<b>15,586.0</b>
FTE Positions	264.7	272.1	279.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To secure adequate facilities to support the mission of Health and Wellness.
  - Construct the facility to house the Disability Resource Center and the Campus Health Service in one location (percent).      20      80      100      N/A
  - Completion of the plan for additional outdoor recreation field space to accommodate growing programmatic needs closer to the campus.      50      50      50      50
  - Completion of the study regarding the renovation of the historic Bear Down Gymnasium building to accommodate the growing programmatic needs for both campus recreation, as well as the academic support services that will continue to occupy the building.      60      100      N/A      N/A
- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students reporting binge drinking in last year (survey done biannually) (percent).	36	38	38	38

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students reporting tobacco use in the last 30 days (percent).	35	27	27	27

◆ Goal 3 - To provide effective campus-based health and wellness services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Students rating disability related services as acceptable or better (percent).	95	96	95	95
● Students rating health services as acceptable or better (percent).	95	99	95	95
● Students rating recreation services as acceptable or better (percent).	95	95	95	95
● Students utilizing the student recreation center 3 times a week for 1 hour or more (percent).	25	30	30	35

◆ Goal 4 - To attract and retain more diversified staff and students

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of underrepresented students enrolled in SALT program.	8	7.5	8.5	9.0
● Percentage of underrepresented students utilizing Campus Recreation programs and services.	32	35	38	40
● Percentage of underrepresented students utilizing the Disability Resource Center.	14	14	14	14

UAA.4.4      **SUBPROGRAM SUMMARY**  
**CAMPUS LIFE LEADERSHIP**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Subprogram Mission:**

*To advance learning and discovery by promoting a collaborative and agile living, working, and learning environment that is engaged with the community.*

**Subprogram Description:**

This subprogram provides leadership for shaping and sustaining a diverse, collaborative, and universal learning community for students, staff, faculty, and administrators at the University through: the provision of high quality, affordable health, housing, food, recreation, and disability services; and the facilitation of programs designed to foster personal development, appreciation of differences, and a sense of community.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	438.4	408.9	425.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	123.5	124.0	126.8
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>561.9</b>	<b>532.9</b>	<b>552.1</b>
<b>FTE Positions</b>	<b>28.0</b>	<b>28.0</b>	<b>28.7</b>

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To develop and manage a formal, comprehensive, and effective assessment and accountability program for the Division of Campus Life.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Division units with assessment activities in place (percent).	90	92	92	94
● Division units demonstrating effectiveness as measured by Campus Climate Survey & User Satisfaction Surveys (percent). student service units only	95	85	85	87

◆ Goal 2 - To coordinate the process that leads to construction/renovation of the Student Union facility.

◆ Goal 3 - To preserve capital from sale of Christopher City to maximize use of interest to assist families with need.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of interest earned used to assist families with need.	NA	NA	50	75

UAA.5      **PROGRAM SUMMARY**  
**INSTITUTIONAL SERVICES**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
 Phone: (520) 621-7766  
 A.R.S. § 15-1601

**Program Mission:**

*To provide the University of Arizona with the support services necessary to enable it to effectively and efficiently pursue the institutional mission of teaching, research, and outreach.*

**Program Description:**

Institutional Services include 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.

**This Program Contains the following Subprograms:**

- ▶ **President's Area**
- ▶ **Human Resources**
- ▶ **Business Affairs**
- ▶ **Administrative Computing and Telecommunications**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	64,149.2	68,623.2	72,900.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	103,624.1	107,344.9	109,713.1
Federal Funds	966.7	993.8	1,023.7
<b>Program Total</b>	<b>168,740.0</b>	<b>176,961.9</b>	<b>183,636.8</b>
FTE Positions	1,754.7	1,798.4	1,843.9

UAA.5.1 SUBPROGRAM SUMMARY  
**PRESIDENT'S AREA**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

**Subprogram Mission:**

*To provide overall administrative direction and leadership for the University's instruction, research, outreach, and other functions, including economic development; to maintain and foster close relations with important university constituencies; and to promote private and public support of university goals.*

**Subprogram Description:**

The President is responsible for generally directing the University's major activities. Other administrative responsibilities of this functional area include: institutional advancement (community relations; local, federal, and state government relations; communications, corporate relations; development), alumni affairs, and legal affairs.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,885.3	5,089.1	5,297.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	7,480.6	7,511.2	7,682.1
Federal Funds	309.6	318.3	327.9
<b>Subprogram Total</b>	<b>12,675.5</b>	<b>12,918.6</b>	<b>13,307.9</b>
FTE Positions	167.8	170.4	174.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To enhance community support for the work of the University in the larger community

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Gifts to or for the benefit of the University (projection of cash income in millions of dollars).	119.7	184.1	100	120
● President's meetings with community and business groups. 2003 Includes all national board meetings	163	325	300	300
● Alumni who rate their overall University experience as good or excellent (percent).	95	96	96	96

- ◆ Goal 2 - To improve the University's internal structure and workings.

UAA.5.2 SUBPROGRAM SUMMARY  
**HUMAN RESOURCES**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management  
Phone: (520) 621-7766  
A.R.S. § 15-1601

**Subprogram Mission:**

*To meet the evolving needs of a changing workforce and workplace by providing proactive human resource programs, consulting, and services that are valued and utilized by the community served.*

**Subprogram Description:**

This unit provides a full range of human resource services that support the research, teaching, and service programs of the University: recruitment and screening for hiring, transfer, and promotion; wage and salary administration; performance management; conflict resolution; employee relations administration; benefits services and counseling; employee tuition program administration; employee and organizational development; diversity awareness; and employee wellness services.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,672.9	2,505.5	2,608.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	877.7	881.3	901.4
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>3,550.6</b>	<b>3,386.8</b>	<b>3,510.1</b>
FTE Positions	61.0	61.5	63.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To attract and employ a diverse and high quality workforce.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Minority employees in administrative, faculty, and professional positions (percent).	27	27	27	27

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of community job fairs in which Human Resources participates.	19	5	5	5

◆ Goal 2 - To achieve an environment and culture that supports all members of the University community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● UA Life & Work Connections contacts per year.	6,725	6,800	6,900	7,000
● Number of employees utilizing the childcare voucher program.	N/A	N/A	N/A	N/A
● Number of employees registered for the sick childcare program.	297	300	300	300

◆ Goal 3 - To support and develop programs and systems that recognize and reward employees for their contributions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of formal employee recognition programs on campus.	64	60	60	60

◆ Goal 4 - To provide development opportunities for all employees to improve retention and productivity.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of employees who utilize the faculty and staff Qualified Tuition Reduction program to pursue higher education opportunities.	2,279	2,200	2,200	2,200
● Number of employees participating in professional development programs.	1,987	1,500	1,500	1,500
● Mean response to the professional development course evaluation question: "On a scale of 1-5 (with 5 being best), how well did this course address its learning objectives?"	4.8	4.8	4.8	4.8

UAA.5.3                      SUBPROGRAM SUMMARY  
**BUSINESS AFFAIRS**

Contact: Edward Frisch, Asst. V.P., Resource Planning & Management

Phone: (520) 621-7766

A.R.S. § 15-1601

**Subprogram Mission:**

*To provide and manage efficiently and effectively the infrastructure services and the related resources that are required to support the University's mission of teaching, research and public service.*

**Subprogram Description:**

Areas of responsibility include budget preparation, financial accounting reporting, payroll, audit, contract oversight, purchasing of goods and services, printing and publishing, University security, Campus Planning, Facilities Design and Construction, maintenance, repair, utilities, grounds, custodial services, recycling efforts, fleet rental services, access to parking and transportation for employees and students, identification and evaluation of space requirements, and identification and management of risks.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	51,002.6	55,758.2	59,502.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	78,205.8	81,822.7	83,610.1
Federal Funds	657.1	675.5	695.8
<b>Subprogram Total</b>	<b>129,865.5</b>	<b>138,256.4</b>	<b>143,808.8</b>
FTE Positions	1,348.1	1,385.6	1,420.6

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To improve efficiency and effectiveness of operations, maintenance, and repair services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cost of maintenance and repairs per gross square foot of University facilities (in dollars).	2.96	2.50	2.57	2.65
● Heating and cooling expenditures per gross square foot (in dollars).	2.90	2.81	2.90	2.98

◆ Goal 2 - To encourage transportation alternatives as part of the University's efforts to meet the requirements of the local Travel Reduction Ordinance.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Parking permits sold.	19,500	20,152	22,000	23,000
● Shuttle usage (in thousands).	280	364	450	470
● Carpools .	2,250	1,500	1,800	1,850

◆ Goal 3 - To maintain and continually improve business practices and resource management to provide effective support of University instruction, research, and service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Square footage of leased space (in thousands).	855.2	873.1	916.8	962.6
● Average days to make a payment to an outside vendor/service provider.	17	19	19	18



UAA.5.4	SUBPROGRAM SUMMARY
	<b>ADMINISTRATIVE COMPUTING AND TELECOMMUNICATIONS</b>
Contact:	Edward Frisch, Asst. V.P., Resource Planning & Management
Phone:	(520) 621-7766
A.R.S. §	15-1601

**Subprogram Mission:**

*To provide information technology solutions and services in support of more effective and efficient university-wide administrative processes, and the telecommunications infrastructure and services needed to support the University.*

**Subprogram Description:**

The Administrative Computing and Telecommunications subprogram includes the development and operation of the University's major administrative computing systems and respective databases, and the operation of the campus-wide voice and data communications facilities.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	5,588.4	5,270.4	5,490.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	17,060.0	17,129.7	17,519.5
Federal Funds	0.0	0.0	0.0
Subprogram Total	22,648.4	22,400.1	23,010.0
FTE Positions	177.8	180.9	185.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To build a robust online self-service environment that fosters an electronic community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of self-service web applications.	47	69	70	70

- ◆ Goal 2 - To provide a backbone for the network that supports full function access and inter-operable connections across the system and to and from external locations, including the ability to easily handle new and high-speed services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Network bandwidth to/from off-campus (Mb) -- (includes all external connectivity).	275	408	465	922







Protection & Safety



**AGENCY SUMMARY  
AUTO THEFT AUTHORITY**

Mikel Longman, Executive Director ATA  
 Contact: Paul Boelhauf, Administrative Services Officer (602) 364-2886  
 A.R.S. § 41-3451

**Agency Mission:**

To deter vehicle theft through a statewide cooperative effort by supporting law enforcement activities, prosecution, and public awareness/community education programs.

**Agency Description:**

The Arizona Automobile Theft Authority (AATA) analyzes the crime of vehicle theft, develops deterrence strategies and promotes successful methods to address the problem. Funding is used to support law enforcement activities, vertical prosecution, and public awareness/community education programs designed to combat and deter vehicle theft statewide.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3,902.5	4,038.2	4,521.5
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	190.5	49.5	0.0
<b>Agency Operating Funds Total</b>	<b>4,093.0</b>	<b>4,087.7</b>	<b>4,521.5</b>
FTE Positions	5.0	5.0	5.0

**Strategic Issues**

**Strategic Issue Number: 1**

*The Arizona Automobile Theft Authority will expand its statewide programs in 2004/2005.*

The AATA serves as a unique example of an effective government/business/consumer partnership. The prime beneficiaries, specifically vehicle owners/insurance consumers, and the insurance industry totally support the government services they receive. Additionally, all citizens in Arizona benefit from the services provided by this Agency, since vehicle theft is associated with many other criminal activities. The AATA does not receive any appropriations from the State of Arizona General Fund. Vehicle theft and associated criminal activity is epidemic in Arizona, the nation, and throughout the world. It accounts for significant economic loss and affects the overall quality of life in our communities. Vehicle theft facilitates and is associated with a wide range of criminal activity. The international intelligence community has identified vehicle theft and related criminal activity as one of the leading illicit fundraising components supporting international terrorism. Local law enforcement is limited in their response. This complex problem requires a dedicated and coordinated statewide effort in order to respond in an efficient, effective and appropriate manner. The Agency is working on a local, state, national and international level to develop, implement and support law enforcement activities, border interdiction, vertical prosecution, and public awareness/community education programs to deter vehicle theft. The AATA's Board of Directors has committed the maximum available resources to support the Agency's aggressive anti-vehicle theft campaign during the next two fiscal years.

**Agency Goals and Performance Measures:**

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of research projects conducted.	1	3	3	3
● Number of research projects commissioned.	0	1	0	0

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of vehicles stolen statewide (calendar year).	56,876	N/A	51,188	49,908
● Number of vehicle theft rate statewide (# per 100,000 population).	1,039	N/A	985	960

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

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Task Force positions funded by AATA.	47	52	52	54
● Number of stolen vehicles recovered by Task Force.	2,372	2,779	2,600	2,800
● Value of stolen vehicles recovered by Task Force (in millions of dollars).	20.8	27.3	26.0	28.0
● Number of felony arrests by Task Force.	258	329	300	325
● Number of "chop shops" investigated by Task Force.	32	49	48	54
● Number of insurance fraud investigations by Task Force.	40	49	48	54
● Number of training and investigative assistance provided by Task Force.	602	986	750	850
● Return on investment (For every dollar funded by AATA amount recovered by Task Force).	9.26	10.51	10.50	10.75
● Number of law enforcement grants awarded.	N/A	12	16	19

◆ Goal 4 - To assure deterrence of vehicle theft and associated criminal activity through vigorous vertical prosecution.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of prosecutors funded by AATA.	3	8	8	9
● Number of participating counties.	3	6	6	7
● Number of vehicle theft cases filed.	304	588	410	440

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of convictions.	221	319	376	416
• Percent of convictions to cases closed.	98	94	98	98
• Amount of restitution ordered (in thousands of dollars).	747.2	818.2	850.0	900.0
• Number of training sessions provided.	10	19	20	25

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Ratio of administrative costs as a percent of total expenditures.	5.66	8.03	8.0	8.0
• Number of program audits.	N/A	1	4	8
• Customer satisfaction rating (scale of 1-3, 1 highest rating).	N/A	1	1	1

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◆ Goal 5 - To provide community education and enhance public awareness to reduce victimization of vehicle theft and related criminal activity.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of PACE grants to criminal justice agencies.	12	20	21	24
• Number of PACE (Public Awareness and Community Education) events statewide.	252	548	550	600
• Number of PACE events sponsored by AATA.	32	53	55	60
• Number of PACE events sponsored by AATA grantee agencies.	220	495	500	500
• Number of AATA published brochures distributed.	75,000	184,352	200,000	225,000
• Estimated media exposures (in millions).	6.7	17.5	18.0	20.0
• Number of Watch Your Car enrollments.	18,514	41,156	80,000	125,000

◆ Goal 6 - To prevent stolen vehicles from being readily smuggled into Mexico and to assist in the repatriation of stolen vehicles located in Mexico through border interdiction.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of stolen vehicles identified by license plate reading camera (LPRs).	N/A	N/A	300	400
• Number of stolen vehicles recovered in Mexico.	366	410	500	600

◆ Goal 7 - To develop expertise and promote well-trained vehicle theft/insurance fraud investigators and prosecutors.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Number of professional training grants awarded to agencies.	18	31	18	30
• Number of criminal justice personnel benefiting.	88	60	25	60

◆ Goal 8 - To maximize effectiveness, efficiency and customer satisfaction of the Agency.

**AGENCY SUMMARY  
DEPARTMENT OF CORRECTIONS**

Dora B. Schriro, Director DCA  
 Contact: Helen Gouververt, Administrator (602) 542-3460  
 A.R.S. § 41-1602

**Agency Mission:**

To serve and protect the people of Arizona by imprisoning those offenders legally committed to the Department and by providing community based supervision for those conditionally released.

**Agency Description:**

The Department serves and protects the people of the State by incarcerating inmates in correctional facilities, as well as supervising inmates upon their release. During incarceration, medical care and other health and welfare services are provided to inmates. In addition, programs such as work, education, training, spiritual access, and substance abuse treatment are provided to inmates so they will have the opportunity to change their behavior and become law-abiding citizens upon their release.

<b>Agency Summary:</b>	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
➤ PRISON OPERATIONS AND SERVICES	587,093.0	645,018.6	816,761.9
➤ COMMUNITY CORRECTIONS	12,793.8	13,395.1	13,770.9
➤ ADMINISTRATION	28,463.8	30,507.6	49,495.7
Agency Total	628,350.6	688,921.3	880,028.5

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	574,475.2	605,322.8	835,033.9
Other Appropriated Funds	20,938.5	42,614.6	4,010.7
Other Non-Appropriated Fund	31,802.1	39,229.8	39,229.8
Federal Funds	1,134.8	1,754.1	1,754.1
Agency Operating Funds Total	628,350.6	688,921.3	880,028.5
FTE Positions	10,408.9	10,407.9	11,309.4

**Strategic Issues**

**Strategic Issue Number: 1**

*Response to inmate population growth*

Inmate population has increased from 17,098 in 1993 to 30,280 in 2003 (77 percent increase). As of June 30, 2003, ADC has a bed deficit of 3,970. As the inmate population continues to grow, ADC uses strategic planning and quality improvement process efforts throughout the organization to maximize resources and ensure public safety.

**Strategic Issue Number: 2**

*Staffing issues*

ADC is continuously striving to ensure staff work in a positive and safe environment, to increase employee retention, provide competitive pay, develop employees, and improve quality of work life for its employees.

**Strategic Issue Number: 3**

*Health services*

In FY 2003, 22.9 Percent of Daily Health Care Cost was for 1.6 percent of the total ADC inmate population health needs. The advent of inmate serious chronic diseases (such as HIV/AIDS, Hepatitis C) continues to have an increasing impact on rising inmate health care costs. Coupled with the inmate population growth rate, increasing average age of the inmate population, and the inflation rate impact on medical cost, this strategic issue is a critical area of concern and focus.

**Strategic Issue Number: 4**

*Information technology*

ADC information technology has gaps in Local Area Network (LAN) and Wide Area Network (WAN) connectivity, outdated various information/data automation systems, and various hardware and software needs. In order to maximize business performance, ADC is focusing on improving its information technology efforts and better linking ADC business processes with information technology solutions.

**DCA.1 PROGRAM SUMMARY  
PRISON OPERATIONS AND SERVICES**

Contact: Vacant, Deputy Director  
 Phone: (602) 542-3894  
 A.R.S. § 41-1602

**Program Mission:**

*To provide direction and support to Prison Operations Administrators in the activation, administration and operations of all prisons, to ensure public and employee safety, while imprisoning inmates.*

**Program Description:**

This Program establishes prison operations; supervises Regional Operations Directors, Prison Wardens and Deputy Wardens; administers prison budgets and staffing/safety issues; reimburses county jails for housing inmates remanded to ADC; oversees prison activation and centralized aspects of management issues, systems and services, including security operations, support services, inmate programs, private prisons and Arizona Correctional Industries (ACI).

**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 Amounts:**

	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	542,678.9	571,295.0	780,105.8
Other Appropriated Funds	19,746.1	41,078.2	4,010.7
Other Non-Appropriated Fund	23,533.2	30,891.3	30,891.3
Federal Funds	1,134.8	1,754.1	1,754.1
Program Total	587,093.0	645,018.6	816,761.9
FTE Positions	9,952.9	9,950.9	10,797.4

DCA.1.1 SUBPROGRAM SUMMARY  
**SECURITY**  
 Contact: George Baldwin, Operations Officer, Security  
 Phone: (602) 542-5196  
 A.R.S. § 41-1604

**Subprogram Mission:**

*To safeguard the public, staff and inmates through the efficient, safe and secure operation of prisons.*

**Subprogram Description:**

This subprogram is responsible for implementation and oversight for inmate accountability; movement control; classification; transportation; employment; and discipline. Ensuring delivery of essential services including: food; clothing; housing; mail; property; stores; education; religious access; recreation; and health care. This includes coordinating efforts for maintaining and improving security systems, communications and facilities and development of contingency plans for emergency operations (Incident Management System; Designated Armed Response Team; Tactical Support Unit; interface with other support agencies). Also included is evaluating and implementing effective drug interdiction measures; 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 the security technology transfer and product review process.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	290,808.0	289,991.7	422,738.2
Other Appropriated Funds	3,483.8	15,360.6	1,439.2
Other Non Appropriated Fund	221.2	5,093.4	5,093.4
Federal Funds	2.4	0.0	0.0
Subprogram Total	294,515.4	310,445.7	429,270.8
FTE Positions	7,284.3	7,275.4	8,024.4

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To prevent escapes.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of walkaway escapes per 1,000 inmates from exterior work crews.	.17	0	0 to .25	0 to .25
● Number of escapes per 1,000 inmates from within secure perimeters of prisons.	0	0	0	0

◆ Goal 2 - To reduce assaults.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Monthly number of assaults on staff by inmates with or without weapons (per 1,000 inmates).	.91	.67	.68	.64

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Monthly number of assaults on inmates by inmates with or without weapons (per 1,000 inmates).	3.76	2.18	2.1	2.0

◆ Goal 3 - To have zero tolerance for drugs in prisons.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of drug free population.	95.88	96.52	100	100

Target not met due to staffing shortages which affected interdiction efforts and negatively impacted treatment resources.

◆ Goal 4 - To eliminate disturbances.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of minor disturbances.	12	7	2 or less	2 or less
● Number of major disturbances.	9	1	0	0

DCA.1.2 SUBPROGRAM SUMMARY  
**INSPECTIONS AND INVESTIGATIONS**  
 Contact: Gary Phelps, Chief of Staff  
 Phone: (602) 542-5497  
 A.R.S. § 41-1604

**Subprogram Mission:**

*To promote Department safety and security by conducting administrative, criminal and gang related investigations; performance inspections; employee and building security, and providing statewide centralized communications.*

**Subprogram Description:**

This subprogram conducts administrative investigations that help ensure the hiring and retention of professional staff. This subprogram conducts criminal investigations of staff, inmates and others that support successful prosecution and/or effective application of discipline. This subprogram develops Security Threat Group information to support management of inmates, conducts protective segregation to enhance inmate security, and investigative activities to enhance employee security. This subprogram also provides statewide central communications, employee and building security; and conducts annual performance, compliance, and financial inspections.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,282.0	7,605.3	8,719.1
Other Appropriated Funds	105.4	146.3	-2.9
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	7,387.4	7,751.6	8,716.2
FTE Positions	132.0	132.0	147.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To improve the timeliness of investigations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of criminal investigations completed within 30 calendar days.	92.75	93	90	90
● Percent of administrative investigations completed within 30 calendar days of receipt (60 calendar days prior to FY 2003).	86	99	85	90
● Percent of polygraphs completed within 14 days of approval by Administrator, Professional Standards Bureau.	96	97	95	95

◆ Goal 2 - To maintain effective custody and control over inmates in an environment that is safe and secure for staff and inmates.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● The number of inmates that meet the criteria of suspected and validated gang members reported as a total percentage of the total inmate population.	25	15.3	29	31

Target was not met due to staffing shortages resulting from the diversion of staff to work on the "Schofield v. The State of Arizona" lawsuit.

● Number of inmates requesting to debrief/Number of inmates that successfully debrief.	32/29	50/29	34/29	36/31
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Some inmates requesting debriefing may not successfully debrief due to not meeting required criteria, or voluntarily withdrawing from the debrief process.

● Percent of investigations completed within 10 working days.	96.5	99	97	97
● Number of protective segregation investigations conducted.	1,247	1,426	1,500	1,600

The number of protective segregation investigations conducted target number was not met because it is actually an estimation and cannot be manipulated or influenced.

**DCA.1.3 SUBPROGRAM SUMMARY  
INMATE EDUCATION, TREATMENT, AND WORK PROGRAMS**

Contact: Dr. Robert Olding, Assistant Director  
Phone: (602) 542-3031  
A.R.S. § 41-1604, 1604.02, 41-1623

**Subprogram Mission:**

*To provide self improvement program opportunities to inmates in the areas of work, education, substance abuse services, and spiritual access designed to prepare them to be responsible citizens upon release.*

**Subprogram Description:**

This subprogram establishes structured access to education, work, substance abuse services, and spiritual access to improve offenders' successful reintegration into the community in accordance with Department of Corrections' goals and mandates/statutes.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	39,956.0	48,326.7	52,675.5
Other Appropriated Funds	2,746.8	3,443.5	2,511.4
Other Non Appropriated Fund	22,621.9	25,507.9	25,507.9
Federal Funds	1,128.3	1,754.1	1,754.1
<b>Subprogram Total</b>	<b>66,453.0</b>	<b>79,032.2</b>	<b>82,448.9</b>
FTE Positions	738.5	815.0	832.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To optimize inmate participation in work programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of inmates participating in IGAs and/or work contracts.	1,265	1,108	1,264	1,264

Target was not met due to lack of program supervision caused by staffing shortages.

● Number of inmate population participating in "hard labor".	20,740	20,207	25,355	27,256
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Target was not met due to lack of program supervision caused by staffing shortages.

◆ Goal 2 - To provide educational programs to include functional literacy, GED, special needs and special education, while facilitating maximum participation and completion.

● Average number of inmates enrolled in GED program.	1,459	1,506	2,730	2,896
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Target was not met due to suspension of testing from January to May 2003 due to test theft/compromise at a community college in southern Arizona.

● Number of inmates achieving 8th grade equivalency level.	6,199	5,953	5,543	5,543
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● Average number of inmates enrolled in vocational programs/number of inmates demonstrating competencies in vocational skill areas through certificate completion.	1,542/40 6	1,361/52 4	1,330/47 4	1,330/47 4
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● Average grade level gains.	2.98	3.13	2.2	2.1
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This measure is dependent upon teacher:student ratio and hours dedicated to instruction. Even if resources for instruction increased, gain scores would not increase in major increments from year to year. Individuals are limited in their capacity to learn within given amounts of time. Given fixed resources to address the needs of an expanding population, a "leveling" of gains is to be expected.

● Average number of inmates enrolled in vocational programs/Number of inmates demonstrating competencies in vocational skill areas through certificate completion.	1,542/40 6	1,361/52 4	1,330/47 4	1,330/47 4
--	---------------	---------------	---------------	---------------

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of inmates completing GED.	972	791	1,123	1,179

Target was not met due to suspension of testing from January to May 2003 due to test theft/compromise at a community college in southern Arizona.

◆ Goal 3 - To increase program opportunities and completion rates in substance abuse services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of target inmate population completing Alcohol and Other Drug (AOD) treatment programs.	15.44	32.7	35	35
● Percent of target inmate population receiving Alcohol and Other Drug (AOD) pre-treatment programs.	27.14	27.05	50	55

Target was not met due to staff shortages which inhibited interdiction efforts.

● Percent of inmates enrolled who successfully completed Substance Abuse Awareness.	51.6	36.6	85	88.5
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◆ Goal 4 - To ensure spiritual access is available.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Monthly average number of contacts by a spiritual representative.	18,135	20,853	22,737	25,454

◆ Goal 5 - To provide work opportunities for inmates.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of programmable inmates who worked in Arizona Correctional Industries (ACI) work programs during the year.	1,523	1,523	1,982	2,167

Target was not met due to overall decline and poor performance of the economy in FY 2003, and the budget crisis and corresponding major decline in the amount of ACI goods and services sold.

● Average percentage of programmable inmates who participated in ACI work programs.	17.22	6.43	7.55	7.55
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Inmate population realized exponential growth during FY 2003, and as a consequence, the percentage of inmates who participated in ACI work programs fell short of the desired target of 7.55%.

◆ Goal 6 - To increase the number of new industries and business activities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of Arizona Correctional Industries (ACI) prison industry operations and business activities.	44	46	48	50

◆ Goal 7 - To increase ACI revenues from all sources.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● The sum of annual net income from all ACI operations (expressed in thousands of dollars).	414.8	(141.5)	500.0	500.0

ACI's net income has declined since FY 2000 due to increased costs to ACI which were not offset with any ACI products and services price increases.

● The sum of annual revenues from all Arizona Correctional Industries (ACI) operations (expressed in millions of dollars).	17.4	18.9	21.1	22.4
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The state budget crisis and moratorium on spending, combined with the poor economic conditions throughout FY 2003 adversely impacted ACI's ability to meet its objective and target.

DCA.1.4 SUBPROGRAM SUMMARY  
**HEALTH CARE**

Contact: Dr. Robert Jones, Deputy Director  
Phone: (602) 364-2900  
A.R.S. § 31-201.01, 41-1604

**Subprogram Mission:**

*To provide constitutionally mandated health care to inmates in the custody of the Arizona Department of Corrections (ADC). Additionally, to provide ADC staff mandated health prevention programs inclusive of TB, Blood Borne Pathogens, as well as health awareness programs.*

**Subprogram Description:**

This subprogram provides health care to inmates including medical, dental, mental health, nursing and pharmaceutical services through the management of agency services and oversight of private treatment facilities. Utilization of occupational health care to provide ADC staff health prevention programs that include: TB testing and Blood Borne Pathogens, as well as health awareness programs and administration of modified duty work programs.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	79,799.2	81,020.7	96,765.3
Other Appropriated Funds	3,259.4	3,618.4	0.0
Other Non Appropriated Fund	4.3	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>83,062.9</b>	<b>84,639.1</b>	<b>96,765.3</b>
FTE Positions	819.0	822.0	846.5

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide cost-effective constitutionally mandated correctional health care.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average daily health care cost per inmate.	7.57	8.16	8.44	8.45

Change in methodology reduced number of inmates used in calculation, increasing the average cost per inmate in FY 2003. The estimate for FY 2004 and FY 2005 may change following additional changes to the methodology.

◆ Goal 2 - To provide medically necessary health care to inmates.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Medical Encounters.	133,635	136,585	136,585	160,000
Due to the increase in Health Needs Requests (HNRs) the number of Medical Encounters also increased. Process change during third quarter allowed provider visits per an HNR request, rather than going through the nurse line, thereby increasing the number of HNRs submitted.				
● Average length of stay (days) during hospitalization.	5.80	5.74	5.75	5.25
New measurement for FY 2004.				

◆ Goal 3 - To monitor and meet the needs of inmates requiring general mental health services and specialized programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of inmates in specialized Mental Health Programs.	425	357	425	475
FY 2003 actual number is lower due to a redistribution of specialized mental health beds.				
● Number of seriously mentally ill inmates. (For FY 2004, 750 represents all inmates determined to be seriously mentally ill).	532	709	1,200	775

◆ Goal 4 - To decrease nursing vacancy and increase retention.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Nursing vacancy rate (by percentage).	22	21.51	21	20
● Number of turnovers within nursing program annually.	N/A	80	80	70

◆ Goal 5 - To provide necessary and timely dental care to inmates.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of inmates seen within 60 days.	89.26	82.77	90	94
Shortage of dentists has required sharing of resources amongst all prisons which negatively impacted wait times.				

◆ Goal 6 - To decrease the incidence of work place injuries and exposures.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of workplace bloodborne exposures.	194	199	50	50
Measure has been changed to reflect actual exposures rather than potential exposures.				

DCA.1.5 SUBPROGRAM SUMMARY  
**PRIVATE PRISONS**

Contact: James Kimble, Administrator  
Phone: (602) 542-1728  
A.R.S. § 41-1604, 1604-02

**Subprogram 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.*

**Subprogram Description:**

This subprogram manages private prison contracts including assisting in the conceptual development, proposal evaluation, contract negotiations, and contract maintenance functions. Oversight responsibilities of the private prison will be conducted through ADC monitoring staff stationed at each private prison to monitor the operations, management of inmates, delivery of inmate services, work agreements, clearance of contractor personnel and payment of fees to the contractor consistent with the terms of the contract. In addition, the monitoring staff will perform duties outlined in statute which may not be delegated to the private prison contractor such as inmate discipline, inmate classification, job assignments, and management of the inmate grievance process. Monitoring staff is supervised by the Administrator, Privatization Bureau.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	23,663.7	29,643.5	76,610.7
Other Appropriated Funds	5,710.8	17,161.4	0.0
Other Non Appropriated Fund	374.8	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	29,749.3	46,804.9	76,610.7
FTE Positions	16.0	17.0	31.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To systematically and effectively monitor private prison operations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● The percentage of satisfactory findings of monthly audits.	100	98.8	100	100
● Number of walkaway escapes per 1,000 inmates from private prison exterior work crews.	0.61	0	0 to .25	0 to .25
● Number of escapes per 1,000 inmates from secure perimeters of private prison facilities.	0	.42	0	0
One escape occurred from an out-of-state department contracted private prison in Newton, Texas.				
● The percentage of satisfactory findings of the areas subject to monitoring.	97	99.5	99	100

DCA.1.6 SUBPROGRAM SUMMARY  
**PRISON MANAGEMENT AND SUPPORT**

Contact: Vacant, Deputy Director  
Phone: (602) 542-3894  
A.R.S. § 41-1604

**Subprogram Mission:**

To provide leadership and direction in the administration and operations of all prisons to ensure inmate accountability and staff safety.

**Subprogram Description:**

This subprogram oversees prison operations, Regional Operations Directors, Wardens and their immediate staff; administers prison budgets and staffing/safety issues; manages prison activation and centralized aspects of management issues, systems and services. This subprogram includes fiscal management, fire and safety, fleet management, food service, warehouse, maintenance, commissary operations and privatization contract development. This subprogram is also responsible for inmate classification, protective segregation, time computation and records, legal access and family assistance services.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	101,170.0	114,707.1	122,597.0
Other Appropriated Funds	4,439.9	1,348.0	63.0
Other Non Appropriated Fund	311.0	290.0	290.0
Federal Funds	4.1	0.0	0.0
<b>Subprogram Total</b>	<b>105,925.0</b>	<b>116,345.1</b>	<b>122,950.0</b>
FTE Positions	963.1	889.5	916.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To forecast inmate population growth.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average Daily Inmate Population. FY 2004 - FY 2005 data displayed for this measurement is projected only.	29,174	30,280	31,859	33,782
● Bed Deficit (year end). FY 2004 - FY 2005 data displayed for this measurement is projected only.	3,293	3,970	4,531	5,454

- ◆ Goal 2 - To provide mandated victims with more accurate and thorough information.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of Victim's Records discrepancy free.	N/A	53	85	100

This is a new measurement for FY 2003.

DCA.2                      PROGRAM SUMMARY  
**COMMUNITY CORRECTIONS**

Contact: Nancy Hughes, Assistant Director  
 Phone: (602) 255-4232  
 A.R.S. § 41-1604

**Program Mission:**

To maintain public protection and promote successful transition through the effective processing and/or supervision of offenders released to the community.

**Program Description:**

The Community Corrections Division serves as an integral part of the Department with 17 offices statewide to supervise offenders to successfully transition into society, and identify and return to prison offenders who violate conditions of supervision and represent a

serious threat to public safety. Functions include the completion of pre-release investigations; monitoring offenders' compliance with conditions of release, including arranging substance abuse testing as required; completing warrants and ensuring due process in return to custody; job placement assistance; referral to community based programs; and collection of cost of supervision fees. This program identifies and refers sex offenders subject to the registration, community notification and violent sexual predator laws to appropriate law enforcement or prosecutorial agencies. This program coordinates the apprehension, extradition, and transportation of fugitives; represents the Department at, or conducts, revocation hearings; monitors jail cost control; provides criminal history information to authorized criminal justice agencies nationwide; and manages the application of the Interstate Compact for the Supervision of Parolees.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	8,471.9	9,096.5	9,472.8
Other Appropriated Funds	0.0	0.5	0.0
Other Non-Appropriated Fund	4,321.9	4,298.1	4,298.1
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>12,793.8</b>	<b>13,395.1</b>	<b>13,770.9</b>
FTE Positions	153.0	151.0	151.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To identify and refer sex offenders subject to applicable laws, prior to their release from the department.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of identified offenders referred to DPS.	100	100	100	100
● Percent of potential sexual predators referred 30 days or more prior to release.	100	100	100	100

- ◆ Goal 2 - To effectively release, supervise and monitor offenders under release supervision in the community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of supervised offenders arrested for technical violations. <i>This is a new measure for FY 2004 that includes arrests for technical violations as well as new crimes.</i>	N/A	N/A	4.0	4.0
● Percent of supervised offenders arrested for new crimes, including both felonies and misdemeanors. <i>This is a new measure that includes misdemeanors as well as felonies.</i>	0.48	1.2	1.5	1.5
● The number of offenders arrested for new crimes and technical violations of all offenders under active community supervision occurring in a month. <i>This is a new measure for FY 2004 depicting the number of total arrests of offenders under community supervision.</i>	N/A	N/A	N/A	N/A

- ◆ Goal 3 - To improve supervision, increase access to services, and maximize resources by undertaking collaborative partnerships with law enforcement and community agencies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of collaborative partnerships in place.	8	8	8	9

- ◆ Goal 3 - To improve Department operations through new technology and computer applications.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of technology equipment replaced.	N/A	9	20	20
Due to information technology funding limitations, FY 2003 target could not be achieved.				
● Percent of system replaced.	N/A	0	10	50

- ◆ Goal 4 - To increase the recruitment of Correctional Officers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Overall CO loss rate percent.	21.6	22.4	21.6	21.6
Lack of funding for overtime pay, reduced general salary adjustment raises, and federal job opportunities in Homeland Security were all factors in the target not being met.				
● Number of CO II FTEs hired.	1,196	1,123	1,425	1,425

Lack of funding for overtime pay and advertising, loss of recruitment unit staff, postponed academies, and federal job opportunities in Homeland Security were all factors in not meeting the target. There are 6,147 funded CO positions. Due to continued budget constraints, only project 1,425 will be filled. However, to offset turnover and fill current vacancies, a higher number must be filled.

- ◆ Goal 5 - To provide quality mandatory pre-service, in-service and professional development training programs to meet the increasing requirements of the Department.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Number of employees completing professional development programs.

Target was not met due to the number of professional development classes being reduced because of budget issues, and the inability of institutions to release staff to attend academies due to existing staff shortages.

- Number of training participants in mandatory training courses.

For this measure, "participants" is defined as the number of attendees, not the number of employees, therefore the participants counted may be duplicated.

- Percent of employees completing required training.

Target was not met because annual training did not start until April 2003 due to the Annual Training Plan not being signed by the Acting Director until the end of March 2003. Annual training is also scheduled by calendar year, not fiscal year, therefore data reported may be skewed.

- Percent of all trainees satisfied with quality of curriculum, presentation skills of the instructor and relevance of content to job responsibilities.

- ◆ Goal 6 - To improve Administrative Services Division operations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of invoices paid within 30 calendar days.

- The average number of days required to pay vendors.

- ◆ Goal 7 - To improve Administrative Services Division customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of projects that are assigned to a project manager with associated expertise.

DCA.3 PROGRAM SUMMARY  
ADMINISTRATION

Contact: Richard G. Carlson, Deputy Director  
Phone: (602) 542-0191  
A.R.S. § 41-1602, 41-1604

**Program Mission:**

To provide leadership, direction and support in the management of administrative functions of the agency, human resource development, information technology solutions and Agency Community Corrections issues in support of the Department's mission.

**Program Description:**

This program provides direction, guidance, training and support for the recruitment and retention of qualified personnel; information technology advances, administrative support for the agency; and community supervision programs for offenders released to the community.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	23,324.4	24,931.3	45,455.3
Other Appropriated Funds	1,192.4	1,535.9	0.0
Other Non-Appropriated Fund	3,947.0	4,040.4	4,040.4
Federal Funds	0.0	0.0	0.0
Program Total	28,463.8	30,507.6	49,495.7
FTE Positions	303.0	306.0	361.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To maintain or improve the level of Information Technology (IT) service to the customer.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of customer service requests responded to within 2 hours.	97.7	97.5	98	98

- ◆ Goal 2 - To expand the ADC information infrastructure to meet mission requirements.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of total sites with basic LAN/WAN connectivity.	72	83	93	100

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of responses to institutional requests for on-site technical assistance made within 10 business days of request.	100	100	100	100

◆ Goal 8 - To provide technical assistance to facilitate compliance with regulatory requirements.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total number of staff successfully completing CDL training.	25	38	25	25
● Percent of staff who have successfully completed Level I NIGP training. Target was not met due to non-availability of training classes for new employees.	100	97.6	100	100
● Percent of staff who have successfully completed Level II NIGP training. Target was not met due to non-availability of training classes for new employees.	100	97.6	100	100
● Percent corrective action plans accepted by regulatory agencies.	100	100	100	100

◆ Goal 9 - To increase internal resolution of employee issues at the lowest possible management level.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of total employees who filed grievances. In FY 2003, this objective and measurement was revised, and all data displayed for FY 2001-2003 has been recalculated.	1.1	1.2	1.1	1.0
● Percent of employee grievances upheld/modified at the Director's review level.	38.13	33	32	31
● Percent of ADC employees who filed charges of discrimination with federal and state regulatory agencies.	N/A	.34	.30	.29

◆ Goal 10 - To enhance communication with the media and the public.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of positive and informative media actions.	150	181	160	165



**AGENCY SUMMARY  
CRIMINAL JUSTICE COMMISSION**

Michael D. Branham, Executive Director  
Contact: Karen Ziegler, Administrative Director  
A.R.S. § 41-2401

JCA

**Agency 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.

**Agency Description:**

The Arizona Criminal Justice Commission is a nineteen-member, statutorily-authorized entity which is mandated to carry out various coordinating, administrative, management, monitoring, and reporting functions regarding the criminal justice system in Arizona. The nineteen Commission members are appointed by the Governor, according to statutory guidelines, and represent the various elements of the criminal justice system in the State. Ten of the nineteen are county or local elected officials and the remainder are appointed criminal justice agency heads. In addition to its statutorily-mandated duties, the Commission is the state agency responsible for the acquisition of several formulaic criminal justice grants each year and for the management, administration, and reporting on these federal grants. The Commission generates reports regarding the Criminal Justice Records Improvement Program and State Identification Program grants to the US Department of Justice, Bureau of Justice Assistance and the National Criminal History Improvement Program to the Bureau of Justice Statistics. The Commission also develops and publishes an annual records improvement plan.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ AGENCY SUPPORT OPERATIONS	842.3	864.3	864.3
➤ CRIME VICTIMS	3,557.5	4,406.3	5,406.3
➤ RECORDS IMPROVEMENT AND STATISTICAL ANALYSIS	2,125.1	3,293.0	3,268.0
➤ CRIME CONTROL	16,982.2	17,277.0	17,277.0
Agency Total	23,507.1	25,840.6	26,815.6

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,394.1	1,302.0	1,302.0
Other Appropriated Funds	4,919.4	4,838.6	5,813.6
Other Non-Appropriated Fund	5,365.1	6,498.6	6,498.6
Federal Funds	11,828.5	13,201.4	13,201.4
Agency Operating Funds Total	23,507.1	25,840.6	26,815.6
FTE Positions	27.0	27.0	27.0

**Strategic Issues**

**Strategic Issue Number: 1**

*The Criminal Justice Commission will have to provide mandated and 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.

**Strategic Issue Number: 2**

*Fill the Gap funding to support of prosecutorial and public defense efforts in processing cases through the criminal justice system.*

Based on the rapid influx of new residents to our state and the burgeoning needs of the entire criminal justice system, the Fill the Gap legislation was created to provide funding to the 15 counties to support efforts in case processing. Due to budget cuts, the funding for the metropolitan counties was eliminated. This issue ties with the critical issue submitted in the budget proposal.

**Strategic Issue Number: 3**

*The Arizona Criminal Justice Commission is mandated to provide sufficient resources to compensate victims of crime in Arizona.*

The Victim's Compensation Program was established to provide direct benefits for medical, mental health, wage loss, and funeral expenses to victims of crime. The Arizona Legislature appropriates this funding on a yearly basis, and the Commission is always actively striving to increase this expenditure funding authority in order to meet the ever-increasing needs of victims.

JCA.1 PROGRAM SUMMARY  
**AGENCY SUPPORT OPERATIONS**

Contact: Michael D. Branham, Executive Director  
Phone: (602) 364-1146  
A.R.S. § 41-2405

**Program Mission:**

*To provide planning, direction, and administration for all Commission mandates, programs, functions, and activities to carry out the mission of the Agency.*

**Program Description:**

The Agency Support Operations consists of the central management, coordination, and administrative program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	233.6	312.0	312.0
Other Non-Appropriated Fund	340.6	346.5	346.5
Federal Funds	268.1	205.8	205.8
Program Total	842.3	864.3	864.3
FTE Positions	10.5	10.5	10.5

**Program Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of agency legislative events.	191	180	190	195
● Number of Legislative meetings attended.	180	180	180	180

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Generate and execute contracts, working agreements and other routine fund distribution and expenditure functions.	223	220	220	225

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Organize, support and conduct meetings under the Commission responsibility to produce effective results.	100	111	100	100
● 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.	100	100	100	100

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Develop, continuously refine and sustain the implementation of a criminal justice records improvement program for the criminal justice system in AZ.	100	100	100	100
● Develop, implement and operate data and information producing programs and processes on crime activity and the criminal justice system in AZ.	100	100	100	100
● Accurately and successfully publish, distribute reports containing reliable info and data on crime activity and the criminal justice system in AZ.	102	100	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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Develop strategies and implement plans that effectively utilize funds and resources available to the Commission.	100	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	105
● Organize, support, and conduct all meetings under the Commission responsibility to produce effective results.	100	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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent completion of statutory mandates regarding Commission duties, responsibilities and mandates.	100	100	100	100
● Collect and analyze data, conduct research and evaluation, and publish reports regarding the criminal justice system.	100	100	100	100

- ◆ Goal 7 - To provide a continuum of effective organization and administration for Commission responsibilities, activities and programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of required reports published.	180	180	180	180

JCA.2                      PROGRAM SUMMARY  
**CRIME VICTIMS**

Contact: Michael D. Branham, Executive Director  
 Phone: (602) 364-1146  
 A.R.S. § 41-2407 et. seq.

**Program 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.*

**Program 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 Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,984.7	3,072.8	4,072.8
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	572.8	1,333.5	1,333.5
<b>Program Total</b>	<b>3,557.5</b>	<b>4,406.3</b>	<b>5,406.3</b>
<b>FTE Positions</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number of compensation claims filed and awarded to eligible crime victims.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Obtain increased spending authority for the crime victim compensation program.	2,250.0	2,225.0	3,000.0	2,500.0
● Operational units reporting an increase in compensation awards.	1,800	1,649	1,800	1,800
● Increase in eligible benefits available to crime victims.	2,753.0	2,521	3,000.0	2,750.0

- ◆ Goal 2 - To effectively manage the allocation and administration of Crime Victim Compensation Funds.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Continuity of administration in the 15 counties.	15	15	15	15
● Percent of counties in which case reviews completed.	100	100	100	100
● Percent of cases reviewed showing no deficiencies.	90	95	100	100
● Percent of programs reviewed reflecting compliance with certified assurances and fiscal management practices.	100	100	100	100

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Applicants requesting funds.	51	61	63	65
● Grants awarded in a timely manner to victim services providers.	42	46	47	47
● Number of site visits completed.	30	30	30	30
● Program audits reflecting no deficiencies.	30	28	30	30

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Program single audits reflecting compliance with Administrative Rules.	30	28	30	30

JCA.3 PROGRAM SUMMARY  
**RECORDS IMPROVEMENT AND STATISTICAL ANALYSIS**  
 Contact: Michael D. Branham, Executive Director  
 Phone: (602) 364-1146  
 A.R.S. § 41-2405

**Program Mission:**

*To design, develop, and facilitate the implementation of a modern and efficient criminal justice records system for all criminal justice agencies in Arizona, and to improve the criminal justice system in Arizona through the efforts of a quality Statistical Analysis Center.*

**Program Description:**

This program area reflects two extremely important areas of concern for the Arizona Criminal Justice Commission. 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. The second important area is the Statistical Analysis Center. The purpose of the center 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 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 Amounts:** (\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3.6	28.9	3.9
Other Non-Appropriated Fund	214.1	448.2	448.2
Federal Funds	1,907.4	2,815.9	2,815.9
<b>Program Total</b>	<b>2,125.1</b>	<b>3,293.0</b>	<b>3,268.0</b>
<b>FTE Positions</b>	<b>9.6</b>	<b>9.6</b>	<b>9.6</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To implement and maintain an effective and relevant criminal justice research program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Studies/research projects proposed by internal and external customers.	20	25	30	30

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of studies/reports completed and published.	15	15	30	20
● Requests for completed research products from external customers.	100	100	100	100
● Public and media data requests processed.	18	20	20	22
● Legislative and policy-maker data requests processed.	150	150	150	150

◆ Goal 2 - To establish and publish technology and data standards for criminal justice agencies of the state within 3 years.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Meetings conducted annually.	6	10	10	10
● Technology standards established as a result of the meetings.	0	50	100	100

◆ Goal 3 - To improve disposition reporting of each county to the central repository each year.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Meetings coordinated by records coordinator in the counties annually.	6	5	6	8
● Percent decrease of total dispositions rejected in each county by the central repository.	5	5	5	5

◆ Goal 4 - To introduce legislation to change/improve criminal history reporting as needed.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Bills submitted to legislature	0	0	1	1
● Bills passed by the legislature for the improvement of criminal history record reporting.	0	0	1	1

◆ Goal 5 - To administer, monitor, and evaluate grant projects on a continual basis.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Site visits to grantee agencies.	10	10	25	25
● Assistance provided to grantee agencies.	30	45	30	30
● Program progress and financial reports received on a quarterly basis from each grantee agency to monitor progress of project and ensure funding expenditure occurs prior to grant expiration date.	100	60	100	100

◆ 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 records plan.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Grants awarded to agencies for improvement of criminal justice/history records.	22	20	25	25

◆ Goal 7 - To apply for available funds from federal Justice Department agencies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of grant applications forwarded to proper agencies.	4	5	4	5
● Number of grant awards provided to the Commission by the various granting agencies.	4	4	4	5
● Number of applicants requesting funding.	15	24	25	25

JCA.4

PROGRAM SUMMARY  
CRIME CONTROL

Contact: Michael D. Branham, Executive Director  
Phone: (602) 364-1146  
A.R.S. § 41-2402

**Program Mission:**

*To enhance and coordinate the funded efforts to deter, investigate, prosecute, adjudicate, and punish drug, violent crime, and criminal street gang offenders.*

**Program Description:**

The program administers the federally funded Edward Byrne Memorial State and Local Law Enforcement Assistance Drug Control and Systems Improvement Formula Grant Program, authorized under the Omnibus Crime Control and Safe Streets Act of 1968. This provides enhanced funding to state and local law enforcement and related agencies to carry out the purposes set forth in the Act and under A.R.S. § 41-2402. The Arizona Criminal Justice Commission is the agency 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 Formula Grant Program enacted under the Violent Crime Control and Law Enforcement Assistance Act of 1994, an amendment to the Omnibus Crime Control and Safe Streets Act, and for the Local Law Enforcement Block Grants Program enacted under the Omnibus Fiscal Year 1996 Appropriations Act. This program also administers a number of state grant programs, including Obscenity Prosecution grants, Aggravated Domestic Violence Prosecution grants, Sexual Exploitation of Children prosecution grants, and Gang Prosecution grants.

**This Program Contains the following Subprograms:**

- ▶ State Aid To County Attorneys
- ▶ State Aid To Indigent Defense
- ▶ Grants

**Funding and FTE Amounts:**

(\$ Thousands)			
FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate	

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

General Funds	1,394.1	1,302.0	1,302.0
Other Appropriated Funds	1,697.5	1,424.9	1,424.9
Other Non-Appropriated Fund	4,810.4	5,703.9	5,703.9
Federal Funds	9,080.2	8,846.2	8,846.2
<b>Program Total</b>	<b>16,982.2</b>	<b>17,277.0</b>	<b>17,277.0</b>
<b>FTE Positions</b>	<b>4.3</b>	<b>4.3</b>	<b>4.3</b>

**Subprogram Mission:**

*To enhance the efforts of the Criminal Justice System in the area of indigent defense by providing funding for improved criminal case processing for indigent defense.*

**Subprogram Description:**

The purpose of this program is to provide funding to the various counties in Arizona for the processing of criminal cases by the offices of the public defender, legal defender, and/or contract indigent defense counsel in each county

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	149.8	150.1	150.1
Other Appropriated Funds	807.6	670.8	670.8
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>957.4</b>	<b>820.9</b>	<b>820.9</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

JCA.4.1 SUBPROGRAM SUMMARY  
**STATE AID TO COUNTY ATTORNEYS**

Contact: Michael D. Branham, Executive Director  
Phone: (602) 364-1146  
A.R.S. § 11-539

**Subprogram Mission:**

*To enhance the abilities of all Arizona county attorneys to improve the processing of criminal cases.*

**Subprogram Description:**

The legislative intent of this program is to provide funding for the various offices of the county attorneys throughout Arizona to be utilized to improve the processing of criminal cases so that progress can be made towards processing ninety percent of all criminal cases within one hundred days and ninety-nine percent of all criminal cases within one hundred eighty days.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	157.7	157.7	157.7
Other Appropriated Funds	850.5	706.5	706.5
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,008.2</b>	<b>864.2</b>	<b>864.2</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

JCA.4.3 SUBPROGRAM SUMMARY  
**GRANTS**

Contact: Michael D. Branham, Executive Director  
Phone: (602) 364-1146  
A.R.S. § 41-2402

**Subprogram Mission:**

*To enhance and coordinate funded efforts to deter, detect, investigate, prosecute, adjudicate, and punish drug, violent crime, and criminal street gang offenders as well as provide research and implementation capabilities for other grant programs for the Criminal Justice system in Arizona.*

**Subprogram Description:**

This program contains a number of federal and state grants which have a positive impact on the criminal justice system throughout the State of Arizona. These include the Federal Byrne grants, Residential Substance Abuse grants, and several prosecutorial grant programs which are funded by the State. Anticipated new areas of concern include integration of records programs and DNA testing for selected felony offenders.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,086.6	994.2	994.2
Other Appropriated Funds	39.4	47.6	47.6
Other Non Appropriated Fund	4,810.4	5,703.9	5,703.9
Federal Funds	9,080.2	8,846.2	8,846.2
<b>Subprogram Total</b>	<b>15,016.6</b>	<b>15,591.9</b>	<b>15,591.9</b>
<b>FTE Positions</b>	<b>4.3</b>	<b>4.3</b>	<b>4.3</b>

JCA.4.2 SUBPROGRAM SUMMARY  
**STATE AID TO INDIGENT DEFENSE**

Contact: Michael D. Branham, Executive Director  
Phone: (602) 364-1146  
A.R.S. § 11-588

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

● Grants identified, applications submitted and approved by funding authorities.	8	8	8	8
● Submissions for grant funding submitted to the Arizona Criminal Justice Commission.	156	210	219	228
● Number of grants awarded to applicant agencies by the Commission.	148	203	221	225
● Number of arrests made by grant-funded task forces.	3,518	3,354	3,773	3,886
● Convictions reported by grant-funded prosecution projects.	12,505	14,219	17,703	17,703
● Percent of grant agreements executed in a timely manner by Commission staff.	100	100	100	100
● Percent of requests for training/technical assistance received and filled.	100	100	100	100
● On-site monitoring visits conducted by Commission staff.	47	21	56	56
● Federal grantor agency conferences, workshops and planning sessions attended by Commission staff.	6	6	6	6
● Complaints received by Commissioners regarding actions by the Commission staff in the administration of subgrants.	0	0	0	0
● Percent of complete, accurate reports submitted on or before due dates.	100	100	100	100



AGENCY SUMMARY	
DRUG AND GANG PREVENTION RESOURCE CENTER	
Gail S. Chadwick, Director	DPA
Contact: C. Husband or C. Emge, Business Mgr. / Grant Coord.	(480) 727-2772
A.R.S. § 41-617	

**Agency Mission:**

To help organizations, individuals, neighborhoods, and communities decrease drug and gang related problems and other destructive behaviors. To help Arizonans encourage and develop healthy and successful families and communities.

**Agency Description:**

The Arizona Drug and Gang Prevention Resource Center is a statewide resource system that assists agencies, organizations, coalitions, and individuals in their community drug and gang prevention activities. The Center functions under the legislation that authorizes the Drug and Gang Policy Council, fulfilling the mandate to provide an annual statewide inventory of public funding expended through state agencies for the purposes of drug and gang prevention, education, and treatment. The Center also manages an information clearinghouse (literature distribution; video, book, and materials loans; and special search requests), provides training and technical assistance to communities and schools, and addresses evaluation of drug and gang prevention programs through facilitating development of outcome evaluation models for the State. The Arizona Prevention Resource Center provides leadership in the planning and development of effective prevention initiatives.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	259.8	1,471.6	1,452.3
Other Non-Appropriated Fund	153.1	38.3	38.3
Federal Funds	1,100.3	1,235.8	841.8
<b>Agency Operating Funds Total</b>	<b>1,513.2</b>	<b>2,745.7</b>	<b>2,332.4</b>
FTE Positions	33.7	34.7	29.6

**Strategic Issues**

**Strategic Issue Number: 1**

*Statewide Accountability System*

The Center funded the development and implementation for the Statewide Accountability System through a direct federal grant for a two year period commencing in 1998 and ending in 2000. The Auditor General's report on the Drug Policy Council issued in 1999 recognized the importance of the work the Prevention Center was doing on an overall statewide accountability and evaluation system, and recommended stable funding be provided to continue the effort. The Center continues to seek state or grant funding to enable it to continue the implementation of the Statewide Accountability System.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To provide prevention services to communities, schools, and government agencies. To help Arizonans encourage and develop healthy and successful families and communities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction rating of agencies being served by the Center. (scale of 1 to 8)	7.4	7.5	7.5	7.5
● Prevention service requests completed (in thousands).	16.0	12.7	4.0	4.0
● Prevention materials disseminated (in thousands).	1,613.5	258.6	200.0	100.0
● Number of people directly and indirectly impacted (in thousands).	176.2	35.3	30.0	25.0

- ◆ Goal 2 - To facilitate state level policy analysis by providing research and drug and gang program information to the Drug and Gang Policy Council.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of nationally recognized effective (research-based) drug and gang prevention programs identified to serve as a resource for Arizona based agencies who are planning and delivering programs. This is a simple count of the different types of effective programs in use. It does not count the number of times each program was used.	152	152	152	152



**AGENCY SUMMARY**  
**DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS**

Major General David P. Rataczak, Adjutant General MAA  
 Contact: Mike Virgin, Director of Joint (602) 267-2732  
 Programs  
 A.R.S. § 26-101, 26-111, 26-306

**Agency Mission:**

To promote, protect, and defend the health, safety, peace, and quality of life of the citizens of our communities, state, and nation.

**Agency Description:**

The Department of Emergency and Military Affairs is divided into three programs: Administration, Emergency Management, and Military Affairs. The Administration program coordinates the activities of the other programs. It provides overall financial, contracting, personnel, and property management actions. The Emergency Services program prepares and coordinates emergency response plans for the State. The Military Affairs program contains the Army National Guard and Air National Guard programs 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.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	1,266.2	1,281.4	1,281.4
➤ EMERGENCY MANAGEMENT	18,445.5	64,004.8	10,493.9
➤ MILITARY AFFAIRS	35,758.5	54,891.6	42,708.5
Agency Total	55,470.2	120,177.8	54,483.8

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	9,103.3	11,795.9	11,795.9
Other Appropriated Funds	132.7	132.7	132.7
Other Non-Appropriated Fund	1,253.2	9,693.5	9,114.3
Federal Funds	44,981.0	98,555.7	33,440.9
Agency Operating Funds Total	55,470.2	120,177.8	54,483.8
FTE Positions	447.8	465.3	454.5

**Strategic Issues**

**Strategic Issue Number: 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.

**Strategic Issue Number: 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.

**Strategic Issue Number: 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 main frame.

**Strategic Issue Number: 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 and the Freedom Academy.

**Strategic Issue Number: 5**

*Maintaining 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                      **PROGRAM SUMMARY**  
**ADMINISTRATION**

Contact: Michael E. Virgin, Director Joint Programs  
 Phone: (602) 267-2732  
 A.R.S. § 26-111

**Program Mission:**

*To provide leadership and support resources to all elements of the department.*

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,266.2	1,281.4	1,281.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Program Total	1,266.2	1,281.4	1,281.4
FTE Positions	18.0	18.0	18.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide quality and timely support services to our customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of weeks to process personnel actions.	1	1	1	1

- ◆ Goal 2 - To provide quality budget and fiscal services to customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of accounts payable transactions not processed within 30 days.	88	92	93	93

**Subprogram 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.*

**Subprogram 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,926.0	5,144.2	5,144.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	501.7	575.9	575.0
Federal Funds	7,357.2	55,769.5	3,391.4
<b>Subprogram Total</b>	<b>10,784.9</b>	<b>61,489.6</b>	<b>9,110.6</b>
FTE Positions	52.5	57.5	47.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To reduce loss of life and loss of property from all hazards.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of communities with sustained Disaster Resistant Community Programs (DRC).	10	13	15	20

- ◆ Goal 2 - To increase local emergency management capability through training assistance programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of requests for exercise assistance supported.	96.7	93.8	100	100

MAA.2 PROGRAM SUMMARY  
**EMERGENCY MANAGEMENT**

Contact: Michael P. Austin, Director  
Phone: (602) 231-6245  
A.R.S. § 26-111

**Program Mission:**

*To coordinate emergency services and the efforts of governmental agencies to reduce the impact of disasters on persons and property in Arizona.*

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,165.1	5,394.8	5,394.8
Other Appropriated Funds	132.7	132.7	132.7
Other Non-Appropriated Fund	501.7	575.9	575.0
Federal Funds	14,646.0	57,901.4	4,391.4
<b>Program Total</b>	<b>18,445.5</b>	<b>64,004.8</b>	<b>10,493.9</b>
FTE Positions	57.3	61.8	51.0

MAA.2.1 SUBPROGRAM SUMMARY  
**MITIGATION AND PREPAREDNESS**

Contact: Karen Paulsen, Assistant Director  
Phone: (602) 231-6264  
A.R.S. § 26-305

MAA.2.2 SUBPROGRAM SUMMARY  
**RESPONSE AND RECOVERY**

Contact: Chuck McHugh, Assistant Director  
Phone: (602) 231-6242  
A.R.S. § 26-2

**Subprogram Mission:**

To coordinate the actions of federal, state and local jurisdictions to respond to and recover from disasters.

**Subprogram Description:**

This subprogram coordinates the response of state agencies to emergency incidents; administers the Governor's E 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.

General Funds	4,672.0	5,119.7	5,119.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	751.5	9,117.6	8,539.3
Federal Funds	30,335.0	40,654.3	29,049.5
<b>Program Total</b>	<b>35,758.5</b>	<b>54,891.6</b>	<b>42,708.5</b>
FTE Positions	372.5	385.5	385.5

MAA.3.1 SUBPROGRAM SUMMARY  
**ARMY NATIONAL GUARD**

Contact: BG Richard G. Maxon, Assistant, Adjutant General,  
 Army

Phone: (602) 267-2717

A.R.S. § 26-111

**Subprogram Mission:**

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.

**Subprogram Description:**

The Army National Guard is a division of Military Affairs. The Army National Guard serves a dual mission provided for by the United States Constitution and the Arizona Revised Statutes as the militia for Arizona. The Governor is our 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.

<b>Funding and FTE Amounts:</b>				(\$ Thousands)		
	FY 2003	FY 2004	FY 2005			
	Actual	Estimate	Estimate			
General Funds	2,714.6	2,764.0	2,764.0			
Other Appropriated Funds	0.0	0.0	0.0			
Other Non Appropriated Fund	617.1	8,983.2	8,404.9			
Federal Funds	23,269.2	31,479.1	19,874.3			
<b>Subprogram Total</b>	<b>26,600.9</b>	<b>43,226.3</b>	<b>31,043.2</b>			
FTE Positions	226.5	232.5	232.5			

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To recruit and retain highly qualified personnel.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of soldiers re-enlisted.	85	80.2	85	85
● Number of soldiers recruited.	1,050	877	1,150	1,200
● Percent of no val pay rate.	1.1	1.1	1.0	1.0
● Percent of required strength.	96	97.1	100	100
● Percent of Army tuition demands met.	46.4	33	33	33

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	239.1	250.6	250.6
Other Appropriated Funds	132.7	132.7	132.7
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	7,288.8	2,131.9	1,000.0
<b>Subprogram Total</b>	<b>7,660.6</b>	<b>2,515.2</b>	<b>1,383.3</b>
FTE Positions	4.8	4.3	3.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To reduce human suffering during disasters and enhance community recovery after disaster strikes.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Number of months of community recovery time from declaration of emergency to termination of emergency.	14.6	13.9	14.0	14.0

MAA.3 PROGRAM SUMMARY  
**MILITARY AFFAIRS**

Contact: Michael E. Virgin, Director, Joint Programs

Phone: (602) 267-7332

A.R.S. § 26-111

**Program 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.

**Program Description:**

Military Affairs is a division of the Department of Emergency Management and Military Affairs. The division of Military Affairs has a dual role of providing the support functions (personnel, resource management, procurement and facilities) and providing 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 Amounts:**

(\$ Thousands)

FY 2003	FY 2004	FY 2005
Actual	Estimate	Estimate



MAA.3.2	SUBPROGRAM SUMMARY <b>AIR NATIONAL GUARD</b>
Contact:	COL (P) John M. Rix, Commander, Arizona Air National Guard
Phone:	(602) 267-2712
A.R.S. §	26-111

**Subprogram Mission:**

*To provide the Aerospace Force with combat-ready units that provide air refueling, trained F-16 pilots and theater air battle management. The Air National Guard also provides a disciplined, trained, and readily accessible workforce which responds to natural disasters, terrorist activities, civil disorder, and improves the life of our communities.*

**Subprogram 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 Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	715.8	805.0	805.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	5,269.7	7,243.2	7,243.2
Subprogram Total	5,985.5	8,048.2	8,048.2
FTE Positions	98.0	105.0	105.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To recruit and retain highly qualified personnel.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of annual attrition.	6	8	10	10
● Percent of personnel fully qualified.	94	92	94	95
● Percent of Air National Guard tuition demands met.	54	54	56	58

MAA.3.3	SUBPROGRAM SUMMARY <b>PROJECT CHALLENGE</b>
Contact:	Michael E. Virgin, Director, Joint Programs
Phone:	(602) 267-2732
A.R.S. §	26-111

**Subprogram Mission:**

*To provide a military-based, in residence educational program for high school dropouts who desire to succeed.*

**Subprogram 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 Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,241.6	1,550.7	1,550.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	134.4	134.4	134.4
Federal Funds	1,796.1	1,932.0	1,932.0
Subprogram Total	3,172.1	3,617.1	3,617.1
FTE Positions	48.0	48.0	48.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To integrate the Arizona National Guard in the youth at risk programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Project Challenge graduates annually.	137	190	224	224



**AGENCY SUMMARY  
BOARD OF EXECUTIVE CLEMENCY**

Erin Mahoney Warzecha, Acting Executive Director PPA  
 Contact: Dinah Layman, Admn Svc Officer I (602) 542-5656  
 A.R.S. § 31-401 et. seq.

**Agency 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.

**Agency 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, rescission, modification, revocation (of both parole and community service), and absolute discharge from both imprisonment and parole supervision. The Board also conducts clemency hearings which include commutation, pardon, and reprieve.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	898.2	856.5	856.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>898.2</b>	<b>856.5</b>	<b>856.5</b>
FTE Positions	16.0	16.0	16.0

**Strategic Issues**

**Strategic Issue Number: 1**

*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).

**Strategic Issue Number: 2**

*Agency's Hearings Issues*

The FY2003 cuts to the Board's budget has had devastating effects to the total hearing process. First of all the reduction of three case analysts and a Hearing Officer has totally suspended the use of Structured Decision

Making (SDM) as a 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.

**Strategic Issue Number: 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 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 recent meeting 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.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To ensure quality Board decisions by monitoring the use of Structured Decision Making (SDM) guidelines.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of hearings using SDM.	438	0	0	600
● Inmates granted parole outside of SDM guidelines.	218	0	0	0
● Inmates granted parole inside of SDM guidelines. Note SDM is not being used due to a lack of staff.	220	18	0	0
● SDM Guidelines Not Applied due to budget cuts.	N/A	873	700	0

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of parole hearings scheduled.	1,844	1,571	1,338	1,140
● Parole hearings held.	1,262	1,046	867	719
● Percent of parole grants.	30	45	40	37
● Commutations.	582	708	900	900
● Number of revocations.	2,395	2,647	2,926	3,234

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent revoked.	92	91	90	90
● Video hearings held.	822	616	871	960
<i>Note Problems with the equipment occurred for 1.5 months resulting in telephonic rather than video hearings.</i>				
● Telephonic hearings held.	1,406	1,698	1,467	1,617
● Personal hearings held.	1,485	658	1,559	1,718
● In Absentia hearings held.	662	1,487	688	758
● Total board hearings held.	4,375	4,459	4,781	4,958
● Hearing officer probable cause hearings.	72	87	80	85
● Probable Cause Hearings Requested.	170	161	170	170

◆ 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.) Due to the reduction-in-force that occurred in June 2002, beginning in FY 2003 the Board's Victim Unit was eliminated. The agency struggles to meet the statutory requirements regarding victim and official notifications.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Victim customer Survey.	N/A	N/A	N/A	N/A
● Number of victims notified.	1,851	2,040	2,100	1,851
● Officials Notified.	11,950	10,523	11,950	9,950
● Courtesy Notifications.	2,066	571	500	1,800
● Inmates Notified.	636	793	700	700
● Total Notifications Sent.	16,503	13,927	15,250	14,301



**AGENCY SUMMARY  
DEPARTMENT OF JUVENILE CORRECTIONS**

Michael Branham, Director DJA  
 Contact: Peggy Eggemeyer, Assistant Director  
 A.R.S. § 41-2802

**Agency Mission:**

To enhance public protection by changing the delinquent thinking and behavior of juvenile offenders committed to the Department.

**Agency Description:**

The Arizona Department of Juvenile Corrections (ADJC) is the state agency responsible for juveniles adjudicated delinquent and committed to its jurisdiction by the county juvenile courts. The ADJC is accountable to the citizens of Arizona for the promotion of public safety through the management of the state's secure juvenile facilities and the development and provision of a continuum of services to juvenile offenders, including rehabilitation, treatment, and education.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ HOUSING	33,875.1	29,404.9	28,875.8
➤ REHABILITATION	31,343.2	36,750.8	36,257.2
➤ ADMINISTRATION	6,648.4	6,298.0	6,298.0
Agency Total	<u>71,866.7</u>	<u>72,453.7</u>	<u>71,431.0</u>

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	63,219.3	64,260.0	63,334.2
Other Appropriated Funds	4,455.0	3,701.2	3,604.3
Other Non-Appropriated Fund	367.2	575.7	575.7
Federal Funds	3,825.2	3,916.8	3,916.8
Agency Operating Funds Total	<u>71,866.7</u>	<u>72,453.7</u>	<u>71,431.0</u>
FTE Positions	<u>1,229.7</u>	<u>1,281.0</u>	<u>1,257.0</u>

**Strategic Issues**

**Strategic Issue Number: 1**

*An increase in the proportion of committed youth with serious mental health needs.*

Over the past two years, the Arizona Department of Juvenile Corrections (ADJC) has continued to see an increase in the proportion of youth requiring specialized treatment services. In FY 2003, 40.1% of ADJC youth were assessed with mental health issues producing "excessive responses which prohibit or severely limit adequate functioning, including clear diagnosis of problems such as depression, anxiety, psychosis, and suicidal gestures." This reflects an increase of 5.8 percentage points over a single year. When compared to FY 2001, the proportion of the ADJC's population with serious mental health needs has increased by 38%. These youth are both more difficult and more expensive to manage and treat. They require higher levels of supervision and greater clinical expertise to manager effectively. For example, ADJC's costs for psychiatric services have increased 100%, from \$780 per youth in FY 2001 to \$1,559 per youth in FY 2003 in two years. Anecdotally, ADJC is often seen as the only alternative for mentally ill youth in need of a secure setting as the Arizona State Hospital maintains only 16 juvenile beds. ADJC is currently funded for 46 mental health beds. This is clearly insufficient. To address these needs, the Department has reoriented its resources to the extent possible to provide a higher level of psychiatric care to youth. This has included

creating psychiatrist positions for each facility and converting correctional oriented staff to professional or para-professional clinical staff and increasing the use of programming designed for mentally ill youth. Despite these changes, ADJC must obtain additional resources to meet the needs of these youth.

**Strategic Issue Number: 2**

*A rash of suicides by youth committed to the Department.*

Between April 2002 and April 2003, ADJC had three youth commit suicide. These represent the first successful suicides in the Department's 12 year history. ADJC believes these suicides are a reflection of two underlying factors. First, suicide by teenagers is a major problem within the State of Arizona. During the 1990's, Arizona's rate of teen suicide was nearly 50% higher than the national average. This ranked Arizona second highest in the nation for teen suicides. Secondly, as noted above ADJC has seen a dramatic increase in the number of mentally ill youth committed to the Department. A large body of research has shown mental illness to be a leading risk factor for suicide. Indeed, a nationwide review of suicides by inmates found that 95% had a mental illness. To prevent additional suicides, in FY 2003 ADJC obtained audits by several teams of youth suicide and mental health. These audits highlighted the need to make changes in three areas to prevent future deaths: changes to ADJC's physical plant, improved mental health care, and improved suicide prevention assessment and close observation. In response to these recommendations, in FY 2003, ADJC performed major suicide prevention modifications to the housing unit serving the highest risk youth; as noted above, increased its level of mental health care; and instituted a new suicide prevention screening and close observation procedure, supported by over 6,800 staff training hours. While these changes have lowered ADJC's risk of youth suicide, further improvements are necessary. To complete suicide prevention modifications for all housing units, an additional \$2.5 million dollars will be required. As noted above, significant additional resources will also be required to meet the mental health need of ADJC youth.

**Strategic Issue Number: 3**

*A disproportionate percentage of youth committed to ADJC require special education services. The provision of these services to all qualified youth is currently beyond the Departments resources.*

ADJC is required to provide special education services to youth with disabilities as 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, speech/language services, occupation and physical therapy, and evaluation services for special education eligibility. In December 2001, an audit of ADJC's compliance with IDEA requirements found that ADJC was failing to adequately identify youth eligible for special education services. Since that time, ADJC has worked to bring its "Child Find" process into IDEA compliance, resulting in a near doubling of ADJC's special education population. ADJC's special education students are currently 23% of the Department's enrollment and are forecasted to grow to 37% as ADJC attains full IDEA eligibility screening compliance. On average, special education students represent 7% of Arizona's student population. ADJC's dramatic over-representation of special education students requires additional teaching staff.

**DJA.1 PROGRAM SUMMARY  
HOUSING**

Contact: James Hillyard, Assistant Director  
 Phone: (602) 542-4038  
 A.R.S. § 41-2802

**Program Mission:**

*To enhance public protection by providing safe, secure, well maintained facilities and a healthy environment for committed juveniles.*

**Program 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

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	32,245.7	28,058.2	27,529.1
Other Appropriated Funds	360.0	360.0	360.0
Other Non-Appropriated Fund	192.2	4.6	4.6
Federal Funds	1,077.2	982.1	982.1
<b>Program Total</b>	<b>33,875.1</b>	<b>29,404.9</b>	<b>28,875.8</b>
FTE Positions	594.2	603.5	591.5

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To create a safe and healthy milieu for staff and youth

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Percent of youth who feel safe in their secure care or community setting.	83	72	79	85

DJA.1.1 SUBPROGRAM SUMMARY  
**FACILITIES MANAGEMENT**

Contact: Joseph Taylor, Assistant Director  
Phone: (602) 542-4038  
A.R.S. § 41-2802

**Subprogram Mission:**

*To provide a safe, clean physical plant that supports positive behavioral programming.*

**Subprogram Description:**

The Facilities Subprogram provides a safe and clean physical plant by ensuring that maintenance activities are conducted in an appropriate and timely manner.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	7,559.1	7,486.4	7,404.4
Other Appropriated Funds	0.0	360.0	360.0
Other Non Appropriated Fund	191.0	0.0	0.0
Federal Funds	1,077.2	982.1	982.1
<b>Subprogram Total</b>	<b>8,827.3</b>	<b>8,828.5</b>	<b>8,746.5</b>
FTE Positions	78.2	97.0	97.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To create a safe and healthy milieu for staff and youth

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Percent of fire and health inspection discrepancies corrected before the next inspection.	NA	42	80	90

DJA.1.2 SUBPROGRAM SUMMARY  
**SECURITY**

Contact: Joseph Taylor, Assistant Director  
Phone: (602) 542-4038  
A.R.S. § 41-2802

**Subprogram Mission:**

*To efficiently maintain a safe and secure environment for committed juveniles.*

**Subprogram 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.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	18,840.9	14,559.6	14,147.1
Other Appropriated Funds	360.0	0.0	0.0
Other Non Appropriated Fund	1.2	4.6	4.6
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>19,202.1</b>	<b>14,564.2</b>	<b>14,151.7</b>
FTE Positions	449.0	441.0	429.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To create a safe and healthy milieu for staff and youth

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Assaults on youth per 100-youth days.	.68	.61	.55	.52
• Number of escapes.	0	0	0	0
• Percent of staff who feel safe at work.	87	85	87	90

DJA.1.3 SUBPROGRAM SUMMARY  
**HEALTH CARE**

Contact: Dean Neitzke, Assistant Director  
Phone: (602) 542-5626  
A.R.S. § 41-2802

**Subprogram Mission:**

*To provide age and gender appropriate medically-necessary health services to juveniles in secure facilities.*

**Subprogram Description:**

The Health Services Subprogram provides a delivery system that utilizes professional health care staff on site in the secure facilities and when deemed necessary, makes referral to off site hospitals and/or specialty health care providers.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	5,845.7	6,012.2	5,977.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>5,845.7</b>	<b>6,012.2</b>	<b>5,977.6</b>
FTE Positions	67.0	65.5	65.5

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To create a safe and healthy milieu for staff and youth

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of juveniles in secure care who agree with the statement "health unit staff help me when I don't feel well".	41	44	55	60
● Percent of juveniles assessed with serious emotional stability needs.	74	77	81	83
● Medical services average annual cost per youth.	5,635	5,562	5,590	5,891
● Psychiatric services average annual cost per youth.	1,089	1,559	1,832	1,950

Includes psychotropic medications

DJA.2                      PROGRAM SUMMARY  
**REHABILITATION**

Contact: James Hillyard, Director  
 Phone: (602) 542-4302  
 A.R.S. § 41-2802

**Program 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.*

**Program 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 Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	24,395.6	29,926.6	29,529.9
Other Appropriated Funds	4,095.0	3,341.2	3,244.3
Other Non-Appropriated Fund	140.2	548.3	548.3
Federal Funds	2,712.4	2,934.7	2,934.7
<b>Program Total</b>	<b>31,343.2</b>	<b>36,750.8</b>	<b>36,257.2</b>
FTE Positions	551.5	590.5	578.5

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To develop law abiding behavior in youth by providing an integrated array of services based on individual needs

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of juveniles incarcerated within 12 months of release.	28	18	26	26
● Percent of juveniles incarcerated within 24 months of release.	39	36	38	38
● Percent of juveniles incarcerated within 36 months of release.	45	44	43	43

DJA.2.1                      SUBPROGRAM SUMMARY  
**EDUCATION**

Contact: Kathleen Karol, Ed.D, Education Superintendent  
 Phone: (602) 255-5259  
 A.R.S. § 41-2831

**Subprogram Mission:**

*To enhance public safety through a school-to-career program which emphasizes accelerated learning techniques.*

**Subprogram 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, 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 Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,812.0	3,233.8	3,233.8
Other Appropriated Funds	3,668.6	2,755.9	2,659.0
Other Non Appropriated Fund	96.4	451.6	451.6
Federal Funds	1,359.8	1,127.6	1,127.6
<b>Subprogram Total</b>	<b>6,936.8</b>	<b>7,568.9</b>	<b>7,472.0</b>
FTE Positions	116.3	114.3	112.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To develop law abiding behavior in youth by providing

an integrated array of services based on individual needs

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of students who increased their mathematic achievement.	75	75	75	78
● Percent of students who increase their reading achievement.	71	79	85	82
● Percent of juveniles passing the GED language test.	88	89	85	92

DJA.2.2                      SUBPROGRAM SUMMARY  
**SECURE CARE TREATMENT**

Contact: Joseph Taylor, Assistant Director  
 Phone: (602) 542-4138  
 A.R.S. § 41-2802

**Subprogram Mission:**

*To change the delinquent thinking and behaviors or youth committed to a secure care facility.*

**Subprogram 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, Violent Offenders 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 Individual Development Plan.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	10,624.4	15,249.5	14,969.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	43.8	96.7	96.7
Federal Funds	1,086.4	679.1	679.1
<b>Subprogram Total</b>	<b>11,754.6</b>	<b>16,025.3</b>	<b>15,745.4</b>
FTE Positions	333.5	369.4	362.4

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To develop law abiding behavior in youth by providing an integrated array of services based on individual needs

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of youth showing progress in their primary treatment problem area.	N/R	64	75	80
● Percent of discharged and paroled youth revoked with felonies.	5.6	9	5	8

- ◆ Goal 2 - To collaborate with stakeholders to contribute to the restoration of communities, youth and families

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of youth contributing to the restoration of victims and communities.	50	50	55	60
Estimate is believed to under reported based on the exclusive reliance of available data from secure care.				
● Percent of youth whose families or caregivers are participants as identified in the youth's secure care treatment plan.	25	23	35	35

DJA.2.3                      SUBPROGRAM SUMMARY  
**COMMUNITY CARE TREATMENT**

Contact: Peggy Eggemeyer, Assistant Director  
 Phone: (602) 542-4685  
 A.R.S. § 41-2817

**Subprogram 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.*

**Subprogram 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.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	11,959.2	11,443.3	11,326.5
Other Appropriated Funds	426.4	585.3	585.3
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	266.2	1,128.0	1,128.0
<b>Subprogram Total</b>	<b>12,651.8</b>	<b>13,156.6</b>	<b>13,039.8</b>
FTE Positions	101.7	106.8	103.8

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To develop law abiding behavior in youth by providing an integrated array of services based on individual needs

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of discharged and paroled youth returned to custody for felonies and misdemeanors.	1.3	14.4	1.9	8

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of juveniles involved in an academic, vocational or employment programs while on conditional liberty.	69	86	80	85

◆ Goal 2 - To collaborate with stakeholders to contribute to the restoration of communities, youth and families

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of victims who report satisfaction with restorative services received from ADJC.	75	84	90	90
● Percent of family participation in assessment and treatment.	N/A	N/A	75	80

◆ Goal 2 - To create a competent and diverse workforce

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Annual staff turnover rate.	28.6	28	25	27
● Percent of staff indicating satisfaction with their jobs.	67	59	65	70



DJA.3                      **PROGRAM SUMMARY  
ADMINISTRATION**

Contact: Peggy Eggemeyer, Assistant Director  
 Phone: (602) 542-4685  
 A.R.S. § 41-2802

**Program Mission:**

*To provide the Arizona Department of Juvenile Corrections with support and logistic services that facilitate the changing the delinquent thinking and behaviors of the juvenile offenders committed to the Department's care.*

**Program Description:**

The Administration Program provides the Housing and Rehabilitation Programs with the support and services they require to change the lives of Arizona's most challenging youth. These services include: Accounting, Budgeting, Communications, Detention Center Inspections, Due Process, Facilities Management, 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 Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,578.0	6,275.2	6,275.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	34.8	22.8	22.8
Federal Funds	35.6	0.0	0.0
<b>Program Total</b>	<b>6,648.4</b>	<b>6,298.0</b>	<b>6,298.0</b>
<b>FTE Positions</b>	<b>84.0</b>	<b>87.0</b>	<b>87.0</b>

**Program Goals and Performance Measures:**

◆ Goal 1 - to collaborate with stakeholders to contribute to the restoration of communities, youth and families

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration as a percent of total cost.	6.7	6.7	6.7	6.7
● Average yearly cost per juvenile in secure care.	61,261	69,980	70,630	72,260



AGENCY SUMMARY	
LAW ENFORCEMENT MERIT SYSTEM COUNCIL	
Commander Coy H. Johnston, Business Manager Contact: Sandy Sierra, Administrative Services Officer A.R.S. § 41-1830.11 to 41-1830.15	LWA (602) 223-2286

**Agency 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.

**Agency Description:**

The Law Enforcement Merit System Council (LEMSC) consists of three members appointed by the Governor for six-year terms. Members are chosen on the basis of experience in and sympathy with merit principles of public employment. Members shall not have held elective public office within one year before appointment and shall not hold any other political office while serving on the LEMSC. The LEMSC shall adopt rules it deems necessary for establishing: 1) a classification and compensation plan for all covered positions under the jurisdiction of the LEMSC and establishing standards and qualifications for all classified positions; 2) a plan for fair and impartial selection, appointment, probation, promotion, retention, and separation or removal from service by resignation, retirement, reduction in force or dismissal of all classified employees; 3) a performance appraisal system for evaluating the work performance of DPS and AZPOST employees; 4) procedures for the conduct of hearings of employee grievances brought before the LEMSC relating to classification, compensation, and the employee appraisal system; 5) procedures for the conduct of hearings on appeals from an order of the director of DPS in connection with suspension, demotion, reduction in pay, loss of accrued leave time, or dismissal of a classified employee.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	55.9	56.7	56.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	55.9	56.7	56.7
FTE Positions	1.0	1.0	1.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Adequate Funding*

The biggest issue facing the Council is the need for adequate funding to fund its only FTE. The Council's only employee will be eligible for a pay adjustment next fiscal year and previous funding requests were not acted on. After previous budget reductions, the Council's budget is not large enough to absorb this increase.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To establish and administer an equitable classification and compensation plan.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of classifications reviewed to determine proper job description and market value.	60	3	20	20
● Number of position audits conducted to determine proper classification.	14	11	11	11
● Number of job descriptions reviewed to determine suitability to classification.	N/R	3	20	20
◆ Goal 2 - To provide guidelines for proper selection, retention and dismissal of covered employees.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of test plans reviewed for selection and promotional processes.	24	61	40	40
● Number of covered employees dismissed.	5	3	3	3
◆ Goal 3 - To provide covered employees with a fair, impartial and expeditious hearing process.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of appeals/grievances filed.	5	6	6	6
● Number of appeal hearings conducted.	3	3	4	4
● Percent of employees receiving discipline who file an appeal.	12	11	12	12
● Average days from receipt of an appeal/grievance until the Council issues a final order.	76	217	70	70
● Average cost of an appeal/grievance hearing (dollars).	545	100	100	100
● Number of rehearings requests filed.	1	0	1	0



**AGENCY SUMMARY  
DEPARTMENT OF PUBLIC SAFETY**

Colonel Dennis A. Garrett, Director PSA  
 Contact:  
 A.R.S. § 41-1711-A.R.S 41-1794

**Agency 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.

**Agency Description:**

The Arizona Department of Public Safety enforces state law with primary responsibility in the areas of motor vehicle traffic, narcotics, organized crime/racketeering, liquor, and specific regulatory functions. Operational and technical assistance is provided to local and state government agencies and other components of the criminal justice community. Services include scientific analysis, aircraft support, emergency first care, criminal information systems, and statewide communications. The Department also promotes and enhances the quality of public safety through cooperative enforcement operations and by increasing public awareness of criminal activities.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ AGENCY SUPPORT	30,260.8	31,010.1	28,806.8
➤ HIGHWAY PATROL	69,908.9	78,230.9	80,436.7
➤ CRIMINAL INVESTIGATIONS	31,958.6	32,422.4	32,463.1
➤ CRIMINAL JUSTICE SUPPORT	42,441.9	46,497.2	47,367.7
➤ GOVERNOR'S OFFICE OF HIGHWAY SAFETY	6,541.7	6,775.7	4,092.5
➤ ARIZONA PEACE OFFICER STANDARDS AND TRAINING	6,179.1	6,198.0	6,081.9
Agency Total	<u>187,291.0</u>	<u>201,134.3</u>	<u>199,248.7</u>

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	31,960.4	29,535.6	29,501.0
Other Appropriated Funds	102,855.1	116,800.5	123,494.7
Other Non-Appropriated Fund	27,013.5	28,294.9	27,230.0
Federal Funds	25,462.0	26,503.3	19,023.0
Agency Operating Funds Total	<u>187,291.0</u>	<u>201,134.3</u>	<u>199,248.7</u>
FTE Positions	<u>2,149.5</u>	<u>2,146.8</u>	<u>2,146.8</u>

**Strategic Issues**

**Strategic Issue Number: 1**

*Bring employee salaries to the level of our competitors*

With significant competition from other employers, attraction and retention of top quality employees is a major challenge. The competition for recruits among law enforcement agencies is especially fierce. Qualified applicants must be continually recruited and offered adequate benefits to meet the Department's increasing responsibilities in enforcing traffic laws

on over 6,000 miles of highways as well as mounting effective counterterrorism, cyber crime investigation, and drug enforcement operations. In recent years, the gap between a DPS officer's pay and that at other state law enforcement agencies has widened and is no longer competitive. Currently, overall DPS officer pay is lower than that offered by 15 other Arizona law enforcement agencies. Employee pay must be increased to attract and retain candidates of the highest quality.

**Strategic Issue Number: 2**

*Reduce Arizona's vulnerability to terrorism by acquiring additional resources for necessary preventive and protective action.*

In the aftermath of September 11, 2001, citizens looked to law enforcement to take swift action to protect America from further acts of catastrophic terrorism. In response, the DPS took decisive steps and assumed a leadership role in Arizona's homeland defense. DPS detectives were pulled off regular assignments to staff Emergency Operations and Domestic Preparedness Command Centers. DPS strengthened operations to collect, analyze, and disseminate timely counterintelligence information, investigate terrorist-related incidents, provide a first response specialized support capability, assess critical infrastructure vulnerabilities, and maintain a close liaison with other federal and state homeland defense agencies. In addition, patrol officers working to stop terrorists became even more vigilant in reporting and investigating suspicious activities while also serving anti-terrorism assignments around dams, airports, and nuclear facilities. These new counterterrorism mandates are a major draw on department resources and have exacerbated already serious personnel and equipment shortages. Added personnel and resources for training, equipment, communications, information management, and emergency response planning are needed to support DPS operations to protect Arizona from the threat of terrorism.

**Strategic Issue Number: 3**

*Increase staffing to keep pace with growing service demands created by Arizona's continuing population explosion.*

With Arizona's population standing at over 5 million residents and growing rapidly, many DPS functions which serve that population remain seriously understaffed. More patrol officers are needed to match increased traffic volume. More detectives are needed to fill the gaps in violent crime, narcotics, and white collar crime enforcement created when the FBI redirected its resources to counterterrorism. A proportionate increase in support positions must follow to keep department operations functioning effectively. In addition, other agency functions which serve the public good, such as, the Sex Offender Community Notification Program and the DPS Crime Laboratories have workloads exceeding staff capacity. The labs' forensic services impact every law enforcement and prosecutorial agency in the state. Calls for expert assistance at crime scenes and in dismantling hazardous methamphetamine labs are growing. Upcoming changes to the rules for criminal procedure will fast track legal Discovery. Penalties for noncompliance include dismissal of charges with the potential to release criminals back to the streets if scientific reports are not completed on time. In addition, the public and the courts are demanding state-of-the-art analysis as they recognize the vast potential for forensic science to identify criminals and exonerate the wrongfully accused. These legislatively mandated services all have a high liability associated with work products intended to protect the public, and adequate staffing is critical to meet public demands for service.

**Strategic Issue Number: 4**

*Modernize obsolete radio, voice, and data communications systems serving public safety agencies throughout Arizona.*

Changing technologies, federal regulations, and issues of coverage and interoperability are making DPS' communication systems obsolete. The terrorist attacks of September 11 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 to expand its Mobile Data Computer (MDC)



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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of employees terminating employment (excludes non-DPS task force members & retirements).	4.0	4.1	5.0	5.0
● Average DPS sworn officer salary as percent of market.	N/A	84.7	100	100
● Percent employee job satisfaction in Agency Support Division.	N/A	N/A	80	80
● Percent of protected class employees terminating employment.	6.3	9.1	6.8	6.8
● Percent of recruitment events directed towards protected classes.	26	48	50	50
◆ Goal 3 - To effectively and efficiently administer lost prevention and risk reductions services.				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Safety inspections conducted by the Safety Officer.	87	58	60	60
● Number of workers' compensation claims reported to safety & loss.	175	241	250	250
● Percent of DPS employees trained on applicable safety programs.	N/A	20	100	100
● Number of health/wellness events held statewide.	N/A	N/A	6	6
● Percent of sworn employees participating in annual fitness assessment.	17.33	85.3	100	100
● Number of loss prevention committee meetings held.	N/A	N/A	4	4
● Percent of workers' compensation claims reported within 48 hours.	N/A	N/A	100	100
● Number of employee injuries requiring follow-up investigations by safety officer.	N/A	16	20	20
● Number of vehicle claims reported to safety & loss.	397	411	430	430
● Percent of reported vehicle claims filed with Risk Management within 90 days.	N/A	N/A	100	100
● Percent of employee injury, safety or health hazards investigated.	N/A	N/A	100	100
● Number of glass claims reported to safety & loss.	N/A	556	575	600
● Number of new facility security measures implemented.	N/A	N/A	14	14
● Percent of glass claims processed within 90 days.	N/A	N/A	100	100
● Number of property claims received.	30	39	45	50

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of property claims filed with Risk Management within 90 days.	N/A	N/A	100	100
◆ Goal 4 - To improve employee effectiveness and resource utilization.				
Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Efficiency review ideas received & researched.	N/A	N/A	25	25
● Dollar value of federal grant awards received (in millions).	19.1	18.7	19.8	20.2
● Automated systems updated or replaced.	7	11	5	5
● Agency indirect cost rate to deliver services (percent).	20.5	22.3	22.3	22.3
● Costs avoided through efficiency measures implemented for custodial and landscape services (dollar value).	N/A	N/A	25,000	25,000
● Costs avoided through efficiency measures implemented by logistics (dollar value).	N/A	N/A	40,000	40,000
● Manual systems automated.	4	8	3	3
● Dollar value of Building Renewal funds received (in thousands).	213.0	151.6	150.0	150.0
● Efficiency review ideas considered for implementation.	N/A	N/A	5	5
● Work-hours saved through efficiency measures implemented by logistics.	N/A	N/A	100	100
● Number of forms converted to document imaging.	N/A	52	52	52
● Percent of DPS-owned area offices with HVAC set-back thermostats installed.	N/A	33	100	100

PSA.2	<b>PROGRAM SUMMARY</b>
	<b>HIGHWAY PATROL</b>
Contact: Lt. Colonel William R. Reutter, Assistant Director	
Phone: (602) 223-2354	
A.R.S. § 41-1711 et. seq.	

**Program 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 motor 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*

**Program 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 Bureau

and the Aviation Section are statewide programs administered centrally with satellite offices statewide.

**This Program Contains the following Subprograms:**

- ▶ **Patrol**
- ▶ **Commercial Vehicle Enforcement**
- ▶ **Aviation**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,009.2	2,746.8	2,746.8
Other Appropriated Funds	60,508.6	65,842.9	69,772.6
Other Non-Appropriated Fund	4,467.4	5,590.3	4,811.0
Federal Funds	3,923.7	4,050.9	3,106.3
<b>Program Total</b>	<b>69,908.9</b>	<b>78,230.9</b>	<b>80,436.7</b>
<b>FTE Positions</b>	<b>993.8</b>	<b>1,001.0</b>	<b>1,001.0</b>

PSA.2.1 SUBPROGRAM SUMMARY  
**PATROL**

Contact: Lt. Colonel William R. Reutter, Assistant Director  
Phone: (602) 223-2354

**Subprogram 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.*

**Subprogram 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.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	52,424.4	56,734.7	60,434.0
Other Non Appropriated Fund	4,656.3	5,303.3	4,824.0
Federal Funds	755.9	577.1	222.1
<b>Subprogram Total</b>	<b>57,836.6</b>	<b>62,615.1</b>	<b>65,480.1</b>
<b>FTE Positions</b>	<b>839.0</b>	<b>838.0</b>	<b>838.0</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To reduce the rates of vehicle collisions and vehicle fatalities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Collision reduction details.	404	204	156	156

Collision reduction details are in addition to normal staffing.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Special enforcement projects.	6	6	6	6
● Fatal highway collisions on DPS-patrolled roads.	324	311	324	324
◆ Goal 2 - To vigorously target aggressive and impaired drivers.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of multi-agency, DUI/aggressive driver task forces with DPS participation.	100	92	100	100
● Percent patrol districts/bureaus reviewing DUI-related statistics quarterly.	100	100	100	100
● Percent of HGN/DRE officers receiving needed certification/recertification training.	100	100	100	100
● Percent of total DPS-investigated highway collisions related to alcohol.	4.9	4.6	5	5

- ◆ Goal 3 - To minimize traffic congestion and delays on highways as a result of unexpected closures.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Public service announcements (6 per patrol district).	109	163	78	78
● DPS citizens' academies (2 per patrol bureau).	9	3	6	6
● Officers receiving collision investigation and accident scene management training (2 per patrol district).	26	69	26	26

- ◆ Goal 4 - To ensure patrol districts are staffed to their proper operational levels using the Patrol Allocation Model (PAM) and implement the appropriate allocation and distribution of personnel.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Annual Police Allocation Model updates.	1	1	1	1
● Quarterly ADOT partnering meetings.	4	7	4	4
● Percent of autonomous patrol areas reviewed.	100	100	100	100
● Patrol officer positions added to attain proper and required operations staffing.	58	46	0	16

- ◆ Goal 5 - To maintain or increase the level of support by Highway Patrol personnel to other law enforcement agencies and respond to civil and natural emergencies as directed.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Civil Emergency Task Force training exercises (1 per patrol district).	13	11	13	13

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Officer specialty skills lists provided to local agencies (1 per patrol district).	13	9	13	13
● Hours of roll call training per officer.	8	4	8	8

◆ Goal 6 - To improve services to the motoring public by maintaining the Roadside Motorist Assistance Program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Motorist assist positions.	8	7	8	8
● Meetings with ADOT, MAG, and FHWA.	Baseline	65	52	52

◆ Goal 7 - To improve organizational performance and efficiency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Efficiency review ideas received.	N/A	N/A	33	23
● Efficiency review ideas considered for implementation.	N/A	N/A	1	1

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Compliance reviews on targeted motor carriers.	77	67	75	75
● Commercial vehicle enforcement details in high collision areas.	47	71	36	36
● NAFTA inspections.	4,438	2,346	3,500	3,500

◆ Goal 2 - To ensure compliance with statutory requirements for the certification of school buses and tow trucks.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of tow truck inspections.	1,522	2,071	1,800	1,800
● School bus driver applications processed.	2,442	3,449	1,700	1,700
● School bus inspections.	7,960	8,433	7,000	7,000
● Percent tow truck inspections completed within 30 days of renewal date.	100	100	100	100
● School bus driver records audited.	5,652	6,914	5,000	5,000
● Percent school bus inspections completed within 30 days of renewal.	100	100	100	100
● Tow truck applications processed.	233	159	150	150
● Percent of tow truck applications processed within 30 days.	100	100	100	100

◆ Goal 3 - To provide specialized commercial vehicle enforcement training on a statewide basis.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Commercial Vehicle Bureau/other agencies' personnel receiving requested North American Standards training.	100	100	100	100
● Percent of new Highway Patrol officers trained in commercial vehicle enforcement.	100	100	100	100
● Percent of other agency personnel receiving requested commercial vehicle enforcement training.	100	100	90	100
● Commercial Vehicle Enforcement Bureau and other agencies' personnel trained in hazardous materials standards.	1	3	5	5

◆ Goal 4 - To use technology and existing data to expand and streamline commercial vehicle safety efforts throughout the state.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● DPS port of entry officers with interconnection between CVISN and Arizona databases.	0	0	5	5

System not ready for user connectivity in FY 03.

PSA.2.2 SUBPROGRAM SUMMARY  
**COMMERCIAL VEHICLE ENFORCEMENT**  
 Contact: Lt. Colonel William R. Reutter, Assistant Director  
 Phone: (602) 223-2354  
 A.R.S. § 41-1711 et. seq.

**Subprogram Mission:**

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.

**Subprogram Description:**

The Commercial Vehicle Enforcement Bureau is the primary commercial motor vehicle, tow truck, and school bus safety enforcement arm of the Department of Public Safety. The bureau's responsibility includes the training of personnel and assistance to local agencies that have specific problems with commercial motor vehicle law enforcement. Additionally, the bureau responds to hazardous material incidents throughout the State involving accidental discharges of hazardous materials and trains personnel involved in this effort.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	4,621.4	4,933.0	4,933.0
Other Non Appropriated Fund	-201.5	251.4	-48.6
Federal Funds	3,167.8	3,473.8	2,884.2
Subprogram Total	7,587.7	8,658.2	7,768.6
FTE Positions	97.5	105.0	105.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To reduce the rates of commercial vehicle collisions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Upload inspection data within national average processing time (days).	21	22	27	27
● Law enforcement agencies added to the ASPEN network.	2	3	3	4
● Percent of commercial vehicle collision data transmitted from ADOT ALIS system to SAFETYNET system.	100	100	100	100
● Officers transmitting commercial vehicle inspection data via SAFER.	7	75	80	80
● Upload collision data within national average processing time (days).	64	59	60	60
◆ Goal 5 - To continually update and present a statewide public information program in commercial vehicle safety.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Commercial vehicle safety presentations.	6	3	5	5
● Information and training presentations for judicial officials.	1	3	5	5

◆ Goal 6 - To provide diversified training opportunities to bureau personnel.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Hours of roll call training provided per officer.	8	0	8	8
● Percent of bureau personnel receiving needed/requested training.	100	100	60	60

◆ Goal 7 - To improve organizational performance and efficiency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Efficiency review ideas received.	N/A	N/A	4	3
● Efficiency review ideas considered for implementation.	N/A	N/A	1	1

PSA.2.3                      SUBPROGRAM SUMMARY

**AVIATION**

Contact: Lt. Colonel William R. Reutter, Assistant Director

Phone: (602) 223-2354

A.R.S. § 28-240, 41-1834

**Subprogram 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.*

**Subprogram 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,009.2	2,746.8	2,746.8
Other Appropriated Funds	3,462.8	4,175.2	4,405.6
Other Non Appropriated Fund	12.6	35.6	35.6
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>4,484.6</b>	<b>6,957.6</b>	<b>7,188.0</b>
FTE Positions	57.3	58.0	58.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To maintain 100% aircraft availability for air rescue services and reduce air rescue response times.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent aircraft availability to standard.	100	95	100	100
Replacement helicopter not funded in FY 03.				
● Percent reduction in air rescue response time.	Baseline	Baseline	5	5
Replacement helicopter not funded in FY 03.				
● Rotary-wing aircraft replaced.	0	0	1	0

◆ Goal 2 - To staff air rescue helicopters with personnel fully trained in all aspects of the air rescue service mission.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent crew members receiving technical rescue training.	97	100	100	100
● Percent air rescue paramedics trained to standard.	Establish	Implement	100	100





2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Violent criminal organizations disrupted/dismantled.	5	5	4	4
● CID minor canine details completed.	15	13	12	12
● Reports of regulated precursor sales.	1	1	3	5
● Notification packets generated regarding suspected illegal activity.	12	418	450	500
● Other agencies participating in GITEM gang database.	6	10	10	10
● Percent of GITEM response to other agency requests for gang suppression assistance.	95	95	95	95
● Internet sources identified for purchasing precursor chemicals.	8	49	55	60

◆ Goal 3 - To enhance specialized investigative and operational assistance to the Department and other governmental entities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Stolen vehicles recovered by the Vehicle Theft Interdiction (VTI) task force. Decline in numbers reflects positions being held vacant due to budget shortages.	3,305	2,772	2,500	2,500
● Criminal investigation service requests received. Includes requests from the Highway Patrol for criminal investigation assistance	3,721	2,970	3,050	3,100
● CID service requests involving extraordinary violence, hazardous materials, or domestic preparedness emergencies.	1,213	821	500	500
● GITEM statewide gang deterrence schools.	3	2	2	2
● Requests for CID computer forensic assistance received. As other agencies receive training in computer forensics, the need for DPS assistance will decline.	205	175	175	175
● Requests for CID GIS services.	71	84	102	127
● Percent of all CID service requests which involve extraordinary violence, hazardous materials, or domestic preparedness emergencies.	32.6	27.6	16	16
● CID requests for computer search warrant assistance.	42	52	52	52
● Percent of requests for CID GIS services completed.	96	100	100	100
● Percent of CID service requests accepted, declined, or conditionally accepted within 24 hours.	100	100	100	100
● Chop shops dismantled by VTI.	41	40	36	42
● CID youth alcohol details. 2003 legislation relieved DPS of primary responsibility for enforcement of AZ liquor laws (ARS Title 4).	87	31	30	30

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Insurance fraud investigations conducted by VTI.	62	50	45	50
● Auto salvage/storage/auction yards inspected by VTI.	97	81	75	80
● Felony suspects arrested by VTI.	404	333	300	325

◆ Goal 4 - To ensure the professional development of division employees through job-specific training.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of CID personnel attending mandated department training.	100	100	100	100
● CID duty-relevant training modules developed/obtained.	24	11	3	3
● Percent of CID personnel attending duty-relevant training (beyond mandated training).	100	100	100	100

◆ Goal 5 - To enhance CID operations and information sharing through automation and technology.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Rocky Mountain Information Network (RMIN) member agencies served.	919	952	965	980
● Percent of cases entered in new case management system. 100 percent of cases are entered in the old case management system (KASE).	N/A	0	100	100
● Serial crime reports received from other agencies.	New Program	6	300	300
● CID automation committee meetings held.	3	3	4	4
● Agencies with RMIN connectivity.	442	437	580	690
● Case management system development.	Purchase	Pilot test	Complete	Version 2
● Serial crime reports entered into the Sex Crime Network system.	New Program	6	300	300
● Automation requirements evaluated by the CID automation committee.	24	5	7	7
● Percent of RMIN agencies on line.	48	50	70	80
● Serial crime hits provided to other agencies.	New Program	0	50	50
● CID automation requirements recommended for implementation.	24	3	5	5
● Anti-Terrorism Information Exchange (ATIX) node agencies.	N/A	1	3	3

◆ Goal 6 - To collect, analyze, and share timely and relevant criminal intelligence.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● RMIN database inquiries.	34,493	66,531	73,184	80,503
● Intelligence reports submitted to CID.	4,608	2,197	3,000	3,500
● HPD crime information cards received.	N/A	New Program	100	150
● CID intelligence reports generated to users.	992	1,041	1,092	1,145
● RMIN database submissions.	25,014	37,913	41,704	45,875
● GITEM street gang intelligence bulletins published.	12	10	12	12
● RMIN analytical requests.	142	168	185	203
● Member agencies participating in RMIN services.	375	418	470	495

◆ Goal 7 - To enhance community partnerships in support of the Criminal Investigations Division mission.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Community awareness programs with CID participation.	529	27	25	25
● CID community outreach programs presented.	13	4	4	4
● CID counter-terrorism programs presented.	N/A	17	14	16
● GITEM anti-gang public information programs.	317	75	80	80

◆ Goal 8 - To improve CID organizational performance and efficiency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● CID efficiency review ideas received.	N/A	N/A	8	12
● CID efficiency review ideas considered for implementation.	N/A	N/A	4	6

PSA.4 PROGRAM SUMMARY  
**CRIMINAL JUSTICE SUPPORT**

Contact: Lt. Colonel David A. Felix, Assistant Director  
Phone: (602) 223-2371  
A.R.S. § 41-1711 to 1712, 1750

**Program 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.*

**Program Description:**

The Criminal Justice Support Division (CJSD) 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.

CJSD 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, Information Systems, Criminal Information and Licensing, and Fingerprint Board.

**This Program Contains the following Subprograms:**

- ▶ Scientific Analysis
- ▶ Communications
- ▶ Information Systems
- ▶ Criminal Information and Licensing
- ▶ Fingerprint Board

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	6,544.5	10,234.6	10,200.0
Other Appropriated Funds	24,264.1	25,082.2	27,611.8
Other Non-Appropriated Fund	9,159.8	9,645.1	9,553.7
Federal Funds	2,473.5	1,535.3	2.2
<b>Program Total</b>	<b>42,441.9</b>	<b>46,497.2</b>	<b>47,367.7</b>
<b>FTE Positions</b>	<b>513.7</b>	<b>494.0</b>	<b>494.0</b>

PSA.4.1 SUBPROGRAM SUMMARY  
**SCIENTIFIC ANALYSIS**

Contact: Lt. Colonel David A. Felix, Assistant Director  
Phone: (602) 223-2371  
A.R.S. § 41-1761 et. seq.

**Subprogram 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 analyses of evidence, and presenting expert court testimony.*

**Subprogram 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	870.7	1,442.4	1,480.4
Other Appropriated Funds	7,539.4	10,309.3	9,742.4
Other Non Appropriated Fund	1,361.9	336.4	238.7
Federal Funds	2,062.8	1,520.2	-12.9
<b>Subprogram Total</b>	<b>11,834.8</b>	<b>13,608.3</b>	<b>11,448.6</b>
<b>FTE Positions</b>	<b>148.0</b>	<b>130.0</b>	<b>130.0</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To continuously improve the delivery and effectiveness of scientific support services essential to the Arizona criminal justice system and public safety.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Evidence disposals completed per month per regional evidence room.	3	3	3	3
● Scientific analysis cases.	35,581	37,279	39,143	41,100
● Crime cases submitted for analysis.	33,251	37,279	39,143	41,100
● Percent of obsolete scientific equipment replaced.	4	0	18.9	20
Late changes to the CLAF fund reduced actual monies available for FY 04 equipment replacement to almost zero.				
● Number of additional positions.	10	6	10	10
6 new positions were approved but all were left vacant due to revenue shortfalls.				
● Efficiency review ideas received.	N/A	N/A	2	3
● Percent of crime lab cases over 30 days old.	10	7.2	5.0	2.5
10 positions held vacant due to budget shortfalls				
● Percent of cases generating automated laboratory examination reports to officers and/or county attorneys.	0	0	75	100
40,000 crime lab reports are stored on a server ready for electronic release.				
● Efficiency review ideas considered for implementation.	N/A	N/A	0	1

- ◆ Goal 2 - To enhance scientific analysis subprogram effectiveness through the professional development of employees.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of scientific analysis employees receiving one training session.	100	100	100	100
● Percent of scientific analysis employees receiving two training sessions.	23	27	33	50

- ◆ Goal 3 - To increase awareness of the integral role that the scientific analysis subprogram plays in the criminal justice system.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Presentations given per regional crime laboratory.	8	8	8	8

PSA.4.2                      SUBPROGRAM SUMMARY  
**COMMUNICATIONS**

Contact: Lt. Colonel David A. Felix, Assistant Director  
Phone: (602) 223-2371  
A.R.S. § 41-1713, 41-1749

**Subprogram Mission:**

To ensure officer and public safety comes 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.

**Subprogram Description:**

Communications 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,972.9	3,547.3	3,547.3
Other Appropriated Funds	9,972.4	9,160.2	12,425.6
Other Non Appropriated Fund	249.1	108.6	108.6
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>12,194.4</b>	<b>12,816.1</b>	<b>16,081.5</b>
FTE Positions	171.5	170.0	170.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure public safety by providing efficiency through automation, technology, and adequate staffing.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Computer-Aided Dispatch (CAD) System.	Prep for Bid Process	Purchase	Install	Research Upgrades
Funding needed to implement Northern communication center CAD.				
● Efficiency review ideas received.	N/A	N/A	2	3
● Automated tape request log.	N/A	N/A	Develop	Implement
● Operational communications staffing formula.	Research	On hold	Research	Implement
● Efficiency review ideas considered for implementation.	N/A	N/A	1	1

- ◆ Goal 2 - To deliver exemplary service, second to none.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent sworn customers surveyed on dispatch services.	53	60	Develop survey	60
Developing a new CAD-based survey in FY 04.				
● Percent increase in customer satisfaction.	4	4.2	Develop survey	CAD Baseline

- ◆ Goal 3 - To exceed expectations for operational effectiveness and efficiency by providing a comprehensive training program for Call-takers, Police Communication Dispatchers (PCDs), Senior PCDs, and Police Communications Supervisors.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● PCD & call-taker positions.	67	67	67	67

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Continuing education hours for PCDs & Call-takers.	16	30	24	24
● Senior PCD and Supervisor positions.	32	33	33	33
● Continuing education hours for senior PCDs and Supervisors.	24	14	24	24
● Percent PCDs/Call-takers attending advanced basic PCD academy.	N/A	N/A	Develop	100

◆ Goal 4 - To maintain telecommunications equipment so that no more than 10% of inventories exceed replacement age.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Portable radios replaced.	30	161	190	190
● Mobile radios replaced.	100	110	125	125
● Base stations replaced.	6	0	10	10
● Microwave radios replaced.	2	3	3	3

◆ Goal 5 - To modernize obsolete radio, voice, and data communication systems for the Department of Public Safety and other public safety agencies in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Mobile Data Computer system.	Planning Ongoing	Funding & design complete	Install initial equip.	RFP for statewide system
● Statewide digital microwave system.	Planning ongoing	Pending study	Complete Plan	Begin install

FY 03 pending study from Macro Corp.

◆ Goal 6 - To support the development of a statewide interoperable public safety radio system.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent participation by engineering staff.	100	100	100	100
● Public Safety Communication Committee meetings coordinated.	3	6	3	3

PSA.4.3      **SUBPROGRAM SUMMARY**  
**INFORMATION SYSTEMS**

Contact: Lt. Colonel David A. Felix, Assistant Director  
 Phone: (602) 223-2371  
 A.R.S. § 41-1713

**Subprogram Mission:**

*To provide information services to internal and external DPS customers in support of public safety and to improve department efficiency through automation and the application of new technology.*

**Subprogram Description:**

The Information Systems subprogram designs, develops, maintains, and operates automated computer systems to support the enforcement, investigative, and administrative functions of the Agency. These programs include the statewide criminal justice information on-line network used by all criminal justice agencies in Arizona.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	1,420.9	2,556.1	2,556.1
Other Appropriated Funds	3,012.1	2,267.8	2,313.1
Other Non Appropriated Fund	13.3	262.3	262.3
Federal Funds	394.5	1.7	1.7
<b>Subprogram Total</b>	<b>4,840.8</b>	<b>5,087.9</b>	<b>5,133.2</b>
<b>FTE Positions</b>	<b>54.2</b>	<b>55.0</b>	<b>55.0</b>

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To improve support to the Department and other criminal justice agencies using state-of-the-art technology.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent TCP/IP communications protocol deployed.	15	25	50	75
● Image transfer application between FBI, DPS, & ACJIS agencies.	Research	FBI-IP Connect	Impact analysis	Perform transfers
● FBI electronic validation files. (Sent to ACJIS agencies)	N/A	Delayed	Rec'd from FBI	Complete
● 3- yr PC replacement program.	Plan	Not funded	Seek funding	Replace PCs
● District offices with Wide Area Network access.	0	5	10	Complete
● Percent analog dumb terminals replaced with PCs.	10	10	30	70
● Browser-enabled CICS applications (DLBI & VREG). Expect completion in FY 04.	Ongoing	Ongoing	Implement	N/A
● Online validations developed.	N/A	N/A	N/A	Developed
● Personal computers replaced.	N/A	N/A	N/A	650
● Area offices with dial-in access. Completed in FY 03.	N/A	32	N/A	N/A
● Create a Linux LPAR on the z800.	N/A	N/A	N/A	Create
● Use print server for IP printing.	N/A	N/A	N/A	Use
● Printers added to IP printing.	0	0	40	80
● Percent assessment of converting existing file systems to DB2. Completed in FY 03.	N/A	100	N/A	N/A

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Mainframe systems accessing relational database management system.	0	0	0	43
● ADABAS files migrated to relational database management system.	0	0	35	70
● Percent of Lotus Notes deployment completed.	N/A	75	100	Complete
● Select ad hoc query tool for relational database management system.	N/A	N/A	Evaluate	Purchase & Install
● Users trained on new ad hoc query tool.	N/A	N/A	N/A	5
● Increase disk storage capacity.	N/A	N/A	Purchase	Complete
● Increase mainframe processing capacity.	N/A	N/A	Purchase	Complete

◆ Goal 2 - To provide professional development for information technology employees.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of training assessments completed.	N/A	100	100	100

◆ Goal 3 - To improve information technology customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Information technology customer service standards.	N/A	Define	Test	Implement

◆ Goal 4 - To provide efficient and responsive support to the criminal justice community.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent ACJIS system availability.	99.9	99.375	99.7	99.7
● Criminal justice terminals supported.	7,716	8,165	8,250	8,350
● Mainframe computer dial-in users.	1,079	1,169	1,200	1,300
● Lotus Notes users.	1,332	1,611	1,700	1,800

◆ Goal 5 - To improve organizational performance and efficiency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Efficiency review ideas received.	N/A	N/A	6	6
● Efficiency review ideas considered for implementation.	N/A	N/A	3	3

**Subprogram 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.

**Subprogram 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 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, and other authorized private and government entities. Additionally this subprogram compiles and publishes the Arizona Uniform Crime Report.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,215.0	2,616.2	2,616.2
Other Appropriated Funds	3,679.9	3,076.2	3,130.7
Other Non Appropriated Fund	7,535.5	8,937.8	8,669.2
Federal Funds	16.2	13.4	13.4
<b>Subprogram Total</b>	<b>13,446.6</b>	<b>14,643.6</b>	<b>14,429.5</b>
FTE Positions	137.0	134.0	134.0

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To provide efficient, responsive, and effective service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Efficiency review ideas received.	N/A	N/A	2	3
● AZAFIS ten print to ten print search time (minutes).	4	4	4	4
● Criminal history disposition report processing (days).	40	50	40	30
● Address verifications per sex offender.	1.4	1.4	1	1
● Annual review of ACCT processing statistics.	Delayed	1	1	1
● Applicant Team-1 (AT-1) turnaround for fingerprint-based criminal history checks (days).	6	6	6	6
● AZAFIS percent of system reliability.	98	98	98	98
● Percent of all registered sex offender addresses verified annually.	57	59	75	100
Verifying 100% of sex offender addresses is contingent upon the addition of 5 FTE positions.				
● MPI server upgrade.	N/A	N/A	Complete	N/A
● Number of agencies with completed criminal history reviews.	N/A	34	33	42

PSA.4.4 SUBPROGRAM SUMMARY  
**CRIMINAL INFORMATION AND LICENSING**

Contact: Lt. Colonel David A. Felix, Assistant Director  
Phone: (602) 223-2371  
A.R.S. Titles 24, 26, 32, 41; 41-1750, 41-2401 et. seq.

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Additional positions for sex offender registration/compliance program.	0	0	5	0
• Additional positions for the criminal history record program.	1	0	0	5
• Number of agencies monitored following criminal history review.	N/A	34	33	42
• Days to process ACCT criminal history check with applicable offense and disposition information.	26	11	10	9
• Days to process arrest fingerprint records.	7	7	3	3
• New MPI scanners.	N/A	N/A	Install	N/A
• AZAFIS ten print to latent search time (minutes).	4	4	4	4
• Days to process Dept. of Corrections fingerprint records.	2	2	2	2
• Days to process ACCT criminal history check without pertinent disposition information.	42	32	30	29
• Applicant Team-1 turnaround for name checks (days).	5	10	10	10
• Efficiency review reviewed for implementation.	N/A	N/A	0	1
• AZAFIS latent to ten print search time (minutes).	4	4	4	4
• MPI printer upgrade, phase I.	N/A	N/A	Complete	N/A
• Days to process ACCT fingerprint records.	8	8	2	2
• MPI printer upgrade, phase II.	N/A	N/A	N/A	Complete
• Days to process felony juvenile fingerprint records.	2	2	2	2
• AZAFIS latent print to latent print search time (hours).	4	4	4	4
• MPI servers.	N/A	N/A	N/A	Replace
• Days to process all other types of fingerprint records.	7	7	2	2
• MPI face I.D. software.	N/A	N/A	Install	N/A

◆ Goal 2 - To provide professional development opportunities to employees and clients.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of employees offered training.	100	100	100	100

◆ Goal 3 - To improve efficiency and effectiveness in administering mandated programs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• AZAFIS Strategic Plan updates.	N/A	N/A	1	1
• Percent of security guard/private investigator complaint/enforcement action reports reviewed monthly by supervisor.	N/A	100	100	100
• Gateway Services Provider, Phase III.	N/A	N/A	Operational	N/A
• Annual updates of client training plan.	1	1	N/A	1
Moved annual update completion to August 2004.				
• Rewrite of administrative rules for private investigator (PI) licensing program (Title 13, Chapter 2).	50	Draft complete	Seek Approval	N/A
• Optical print & photo image subsystem II.	N/A	N/A	N/A	Operational
• Rewrite of administrative rules for concealed weapons permit program (Title 13, Chapter 9).	Ongoing	Draft complete	Seek Approval	N/A
• Rewrite of administrative rules for security guard (SG) licensing program (Title 13, Chapter 6).	Ongoing	Ongoing	Seek Approval	N/A

◆ Goal 4 - To improve customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of concealed weapons permits issued within 20 days.	100	100	100	100
• Concealed Weapons newsletters published.	N/A	2	2	2
• Criminal justice personnel attending training in ACJIS/NCIC systems, uniform crime reporting, and/or disposition reporting (per quarter).	100	175	175	175
• Percent of concealed weapon Internet inquiries answered within 3 days.	100	100	100	100

PSA.4.5                      **SUBPROGRAM SUMMARY**  
**FINGERPRINT BOARD**

Contact: Lt. Colonel David A. Felix, Assistant Director  
 Phone: (602) 223-2371  
 A.R.S. § 41-619.52

**Subprogram Mission:**

*To fairly, expeditiously, and responsibly determine good cause exceptions for applicants who have been denied a fingerprint clearance card.*

**Subprogram Description:**

The Arizona Board of Fingerprinting reviews requests for good cause exceptions from eligible people who require a fingerprint clearance card and who have been denied clearance by the Department of Public Safety.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	65.0	72.6	0.0
Other Appropriated Funds	60.3	268.7	0.0
Other Non Appropriated Fund	0.0	0.0	274.9
Federal Funds	0.0	0.0	0.0
Subprogram Total	125.3	341.3	274.9
FTE Positions	3.0	5.0	5.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To develop and implement fair standards, rules, policies, and procedures for approving good cause exceptions.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Rule making docket refiled.	Moved to FY03	No	N/A	N/A
● Stakeholder meetings held.	9	N/A	N/A	N/A
● GRRC deadlines met.	N/A	N/A	N/A	N/A
● Agencies/stakeholders attending meetings.	62	N/A	N/A	N/A
● Percent rules reviewed.	N/A	N/A	N/A	N/A

- ◆ Goal 2 - To provide applicants with timely decisions on their good cause exception appeals.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Funding sources identified.	N/A	Yes	N/A	N/A
● Restricted web site developed.	N/A	N/A	Yes	N/A
● Board decision-making process review performed.	4	1	1	1
● Good cause exception requests.	2,104	1,888	900	900
● Meetings with legislators and others.	N/A	N/A	N/A	N/A
● Web site connected to DPS ACCTRAK.	N/A	N/A	N/A	N/A
● Benchmark against other states' comparable programs.	0	1	0	0
● Good cause exception appeals decided/heard.	538/243	1,381/386	427	427
● Days from receipt of application packet to decision/hearing.	25/185	57/229	60	45

PSA.5 PROGRAM SUMMARY  
**GOVERNOR'S OFFICE OF HIGHWAY SAFETY**

Contact: Richard Fimbres, Director  
Phone: (602) 255-3216  
A.R.S. § 28-611

**Program Mission:**

*To be the focal point for highway safety issues in Arizona, the Governor's Office of Highway Safety (GOHS) provides leadership by developing, promoting, and coordinating programs; influencing public and private policy; and increasing public awareness of highway safety.*

**Program Description:**

The 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 there from on public roads. GOHS develops, promotes, and implements effective education, engineering, and enforcement programs toward ending preventable crashes and reducing economic costs associated with vehicle use and highway travel. Through the GOHS Director, a channel of communication and understanding has been developed between the Governor's Office, the legislature, state agencies, political subdivisions, and activist groups concerning all aspects of the statewide highway safety program. One emphasis of the highway safety funding process is to provide "seed" money to develop effective programs which can become operational within a three-year period. If the program(s) is/are successful, the state or local jurisdiction will establish the program(s) as a permanent responsibility of the jurisdiction. Problem identification involves the study of relationships between collisions and the characteristics of population, licensed drivers, registered vehicles, and vehicle miles traveled. Drivers can be classified into subgroups according to age, sex, etc. Vehicles can be divided into subgroups according to year, make, body style, etc. Roads can be divided into subgroups according to number of lanes, type of surface, political subdivision, etc. Collisions can be further analyzed in terms of the time, day, and month; age and sex of drivers; primary collision factors; and use of safety equipment. Other factors also influence motor vehicle collisions and are considered in conducting comparative analyses between jurisdictions. For example, variations in composition of population, modes of transportation, the highway system, economic conditions, climate, and the effective strength of law enforcement agencies are influential. The selection of collision comparisons requires the exercise of judgment.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	254.2	334.8	334.8
Other Non-Appropriated Fund	49.7	47.1	47.1
Federal Funds	6,237.8	6,393.8	3,710.6
Program Total	6,541.7	6,775.7	4,092.5
FTE Positions	6.0	6.0	6.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To decrease the fatality rate per 100 million vehicle miles traveled (VMT) from the base level of 2.06 in 2001 to 2.00 in 2005.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Grant Proposals received from Jurisdictions.	160	160	165	170
● Contracts negotiated, written, and executed.	148	160	160	160
● Performance audits conducted.	700	700	690	695
● Crashes (prior calendar year).	131,573	134,228	134,000	136,000
● Miles traveled fatality rate (prior calendar year).	2.06	2.09	2.02	2.00
● Total statewide fatalities (prior calendar year).	1,047	1,119	1,070	1,080
● Total persons injured (prior calendar year).	73,962	74,230	76,000	76,500
◆ Goal 2 - To have the percentage of increase of the total number of persons killed from the base level of 1,047 in 2001 be less than the percentage of increase of VMT and population in 2004 and 2005.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Officers, prosecutors, and judges attending GOHS Summit training on DUI, Speed, Seat Belt, etc.	500	500	400	400
● Placement/contracts for DUI enforcement vehicles.	20	22	15	15
● Placement/contracts for alcohol-detection devices.	300	185	200	200
● Agencies participating in DUI task forces.	55	55	55	55
● DUI enforcement patrols.	45	45	45	45
● Officers receiving standardized field sobriety/horizontal gaze nystagmus/drug recognition expert training.	350	400	400	400
● Alcohol-related fatalities (prior calendar year).	258	274	272	275
◆ Goal 3 - To have the percentage of increase of the total number of persons injured from the base level of 73,962 in 2001 be less than the percentage of increase of VMT and population in 2004 and 2005.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of child safety belt use.	72	90	74	75
● Agencies participating in public information & education/enforcement projects.	40	40	45	45
● Public information & education campaigns developed each calendar quarter.	4	4	4	4
● Enforcement/training/public information & education events.	20	20	20	20
● Law enforcement agencies receiving training & grants.	15	25	15	15
● Percent of seat belt use (prior calendar year).	74	86	77	78

PSA.6 PROGRAM SUMMARY  
**ARIZONA PEACE OFFICER STANDARDS AND TRAINING**

Contact: Mr. Tom Hammarstrom, Executive Director  
 Phone: (602) 223-2514  
 A.R.S. § 41-1822 et. seq.

**Program Mission:**

*To ensure professionalism, integrity, and public trust by providing training and maintaining standards for peace officers in the State of Arizona.*

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	5,696.9	5,842.6	5,900.7
Federal Funds	482.2	355.4	181.2
<b>Program Total</b>	<b>6,179.1</b>	<b>6,198.0</b>	<b>6,081.9</b>
<b>FTE Positions</b>	<b>18.0</b>	<b>19.0</b>	<b>19.0</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To develop, implement, and update standards for the selection, retention, and training of peace officers and corrections officers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of administrative rules reviewed.	100	100	100	100
● Percent of academies using standardized competency examinations.	N/A	Develop	100	100
● Percent of model lesson plans developed for distribution.	40	85	100	100
● Percent of curricula review completed.	90	100	33	33
● Percent of academies utilizing over 80% of model lesson plans.	N/A	100	100	100
● Percent increase in field training officer satisfaction with academy training programs.	N/A	N/A	10	10



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◆ Goal 2 - To promote and uniformly enforce compliance with the standards prescribed for peace officers and corrections officers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of agencies in non-compliance.	5	15	<10	<10
● New hires.	1,186	1,431	1,600	1,800
● Days to complete decertification investigations.	93	124	75	75
● Academy audits completed.	2	0	6	6
● Peace officers requiring basic training.	944	1,091	1,227	1,350
● Agencies to be audited.	168	167	168	168
● Certified peace officers.	13,518	13,600	14,000	15,000
● Corrections officers.	6,100	6,100	6,100	6,200
● New hire minimum qualification compliance audits conducted.	1,206	1,075	1,350	1,400
● Days required to conduct new hire audits.	26	39	<30	<30
● Mandated in-service training compliance audits conducted.	995	823	1,000	1,100

◆ Goal 3 - To recommend curricula and promote advanced law enforcement courses in universities and colleges in conjunction with their governing bodies.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration of Justice programs giving credit for POST training.	12	12	12	12
● POST courses qualifying for college credit.	12	12	14	14
● College courses qualifying for POST mandated training credit.	707	707	710	720

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Revenues received from public sources (\$ thousands).	763	472	350	350
● Inter-governmental agreements and partnerships.	23	23	24	24
● Efficiency review ideas received.	N/A	N/A	25	30
● Efficiency review ideas considered for implementation.	N/A	N/A	10	15

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Satellite telecourse productions conducted.	6	5	7	8

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Qualified instructors teaching POST programs.	122	165	185	195
● Train-the-trainer programs provided to agencies.	11	15	20	25
● Calendar School Programs presented by POST.	56	47	60	70
● Percent of POST model curricula available via resource bulletin board.	N/A	N/A	50	100
● Interactive classroom/computer-based programs conducted.	0	0	1	1
● Percent high-risk, high liability topics reviewed.	100	100	100	100
● Percent of train-the-trainer, specialty, and regional training programs reviewed.	100	25	25	25
● Percent of in-service programs achieving an overall evaluation of 8.0 or better.	71	81	90	90
● Attendees for distance learning programs.	4,416	4,224	4,800	5,000
● Percent of Agency CEOs rating overall POST services as 7.0 or greater.	92	82	90	90
● Attendees of Calendar Schools.	1,866	1,292	1,850	2,200

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Transportation



**AGENCY SUMMARY  
DEPARTMENT OF TRANSPORTATION**

Victor Mendez, Director DTA  
 Contact: Terry Trost, Manager, Strategic (602) 712-8981  
 Planning and Budgeting  
 A.R.S. Title 28

**Agency Mission:**

To provide a safe and efficient transportation system, together with the means of revenue collection and licensing for Arizona.

**Agency Description:**

The Arizona Department of Transportation was established in 1974. It is the state agency charged with planning, developing, maintaining and operating facilities for the efficient movement of people and products by surface and air throughout Arizona. The Department is also the statewide agency that registers motor vehicles and aircraft, licenses drivers, collects revenues, and investigates new transportation systems. It serves its customer base through geographically dispersed facilities. Most administrative activities are housed in the headquarters facilities in Phoenix. Field activities include ten district offices that oversee roadway construction and maintenance, twenty-two ports of entry that check commercial vehicles for compliance with size and weight laws, and sixty-seven Motor Vehicle Division Field Offices that provide title and registration and driver license services.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ ADMINISTRATION	61,672.1	66,670.6	48,761.3
➤ INTERMODAL TRANSPORTATION	1,758,213.9	2,708,789.7	2,751,483.1
➤ MOTOR VEHICLE	85,349.5	92,973.2	96,915.5
➤ AERONAUTICS	25,219.5	19,160.1	24,812.5
Agency Total	<u>1,930,455.0</u>	<u>2,887,593.6</u>	<u>2,921,972.4</u>

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	62.5	67.7	67.7
Other Appropriated Funds	298,542.9	369,533.1	396,986.2
Other Non-Appropriated Fund	1,189,803.3	2,138,972.0	2,111,073.2
Federal Funds	442,046.3	379,020.8	413,845.3
Agency Operating Funds Total	<u>1,930,455.0</u>	<u>2,887,593.6</u>	<u>2,921,972.4</u>
FTE Positions	<u>4,688.0</u>	<u>4,691.0</u>	<u>4,827.0</u>

**Strategic Issues**

**Strategic Issue Number: 1**

*Maintenance*

Arizona's taxpayers have made a very significant investment in roads and highways. Protecting that investment is much more than just filling pot holes. What are the best strategies ADOT can develop for protecting that investment? And what are the best strategies that will provide the necessary human and financial resources to protect that investment?

**Strategic Issue Number: 2**

*Customer Satisfaction*

Whether internal or external, ADOT must maintain a strong customer

service focus. This will require a mix of strategies involving staff, the application of more sophisticated management techniques and alternative service delivery methods that employ more technology, including the internet.

**Strategic Issue Number: 3**

*Program delivery*

Each year the State Transportation Board adopts a Five-Year Construction Program. This Program is a result of a transportation assessment to determine how best to safely and efficiently move goods, services and people throughout Arizona. The operating imperative is to deliver those projects on time, on budget and in quality condition.

**Strategic Issue Number: 4**

*Regional Transportation System*

As Arizona's urban cores continue to experience phenomenal growth, the movement of goods, services and people will continue to be an important regional success factor. Keeping pace will require the full utilization of innovative financing, retention of engineering and management expertise, as well as partnering with interested parties. This is especially true for completion, on an accelerated timeline, of the 1985 voter approved Maricopa Regional Freeway System.

**Strategic Issue Number: 5**

*Technology*

The agency is seeking strategies that can be developed to replace aging mainframe, legacy systems and processes. How can ADOT effectively make available the burgeoning amount of information for transportation decisions? How can technology be best utilized as a congestion mitigation and safety element? How can ADOT best utilize technology to provide on-line and other e-government services to its customer service activities?

**Strategic Issue Number: 6**

*Congestion Management*

The Agency is researching what is the best strategy or mix of strategies to manage congestion on the state highway system.

DTA.1 PROGRAM SUMMARY  
ADMINISTRATION

Contact: Victor Mendez, Director  
 Phone: (602) 712-7227  
 A.R.S. Title 28

**Program Mission:**

*To provide leadership and operational and financial support to help achieve the agency mission.*

**Program 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. The Department is charged with registering motor vehicles and aircraft, licensing drivers, collecting revenue, conducting multi-modal transportation planning, design and constructing transportation facilities, investigating new transportation systems and administering transportation safety programs.

**This Program Contains the following Subprograms:**

- ▶ **Director's Office/ Transportation Board**
- ▶ **Transportation Support Services**
- ▶ **Arizona Highways Magazine**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	50,805.7	56,253.0	38,343.7
Other Non-Appropriated Fund	10,866.4	10,417.6	10,417.6
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>61,672.1</b>	<b>66,670.6</b>	<b>48,761.3</b>
<b>FTE Positions</b>	<b>499.0</b>	<b>477.0</b>	<b>480.0</b>

DTA.1.1 SUBPROGRAM SUMMARY  
**DIRECTOR'S OFFICE/ TRANSPORTATION BOARD**  
 Contact: John Bogert, Chief of Staff  
 Phone: (602) 712-7228  
 A.R.S. Title 28

**Subprogram 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.*

**Subprogram 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.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	646.7	610.2	610.2
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>646.7</b>	<b>610.2</b>	<b>610.2</b>
<b>FTE Positions</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To increase the quality, timeliness and cost effectiveness of our products and services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Agency assessment in Arizona Quality Award Criteria.	5th Band	N/A	7th Band	7th Band
Administrative expenses as percentage of operating budget.	16.5	12	12	12

- ◆ Goal 2 - To develop a high performing and successful workforce.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Percent of Middle Managers (700) attending mandatory supervisory training.	85	95	95	95
Agency turnover rate (percentage).	14.0	14.0	14.0	14.0

- ◆ Goal 3 - To optimize the use of all resources.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Injury Incidence Rate per 100 employees. Note: this measure is on a calendar year basis.	0.00	0.00	0.00	0.00

- ◆ Goal 4 - To improve public and political support necessary to meet Arizona's transportation needs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Stakeholder Satisfaction Rating.	N/A	N/A	N/A	N/A
Percent of time deadline met.	95	99	95	95

DTA.1.2 SUBPROGRAM SUMMARY  
**TRANSPORTATION SUPPORT SERVICES**  
 Contact: John Bogert, Chief of Staff  
 Phone: (602) 712-7228  
 A.R.S. Title 28

**Subprogram Mission:**

*To provide effective and efficient support services to those who serve our customers and stakeholders.*

**Subprogram 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 and planning and budgeting.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	50,159.0	55,642.8	37,733.5
Other Non Appropriated Fund	221.8	155.0	155.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>50,380.8</b>	<b>55,797.8</b>	<b>37,888.5</b>
<b>FTE Positions</b>	<b>421.0</b>	<b>399.0</b>	<b>402.0</b>

**Subprogram Goals and Performance Measures:**

◆ Goal 1 - To achieve optimum service delivery.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of internal service functions meeting service level targets.	80.0	85.0	80.0	80.0
● HURF revenue forecast range (percent).	+2.0/- 4.0	0.3	+2.0/- 1.0	+2.0/- 1.0
● RARF revenue forecast range (percent).	+2.0/- 4.0	0.3	+2.0/- 4.0	+2.0/- 4.0

◆ Goal 2 - To maintain information technology and facilities infrastructure at targeted service levels

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of technology infrastructure meeting established service level standards.	50.0	50.0	50.0	50.0

◆ Goal 3 - To promote safety in the workplace.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Injury incident rate per 100 employees. Note: this measure is on a calendar year basis.	0.00	0.00	0.00	0.00

**Subprogram 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.*

**Subprogram Description:**

The first issue of Arizona Highways was published in 1925. The current monthly circulation averages 326,000 and includes subscribers from every state and 120 foreign countries. Seventy-six percent of the magazine's subscribers live outside Arizona, many of them receiving gift subscriptions from Arizonans. A one year subscription is \$19. Arizona Highways is an Enterprise Fund and generates revenue from two major sources: subscription and newsstand sales of the magazine and product sales. The magazine employs approximately 80 people. The magazine is 56 full-color pages per issue. All of the writing and photography included is provided by freelance professionals who are paid fees for one-time rights to publish their material. Arizona Highways operates its own computerized fulfillment system for receiving, processing, and shipping orders and two retail gift shops in Phoenix.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	10,644.6	10,262.6	10,262.6
Federal Funds	0.0	0.0	0.0
Subprogram Total	10,644.6	10,262.6	10,262.6
FTE Positions	72.0	72.0	72.0

DTA.1.3 SUBPROGRAM SUMMARY  
**ARIZONA HIGHWAYS MAGAZINE**

Contact: Win Holden, Publisher  
Phone: (602) 271-5959  
A.R.S. § 28-1881 to 28-1884

DTA.2 PROGRAM SUMMARY  
**INTERMODAL TRANSPORTATION**

Contact: Bill Higgins, Acting State Engineer  
Phone: (602) 712-7391  
A.R.S. § 28-104

**Program Mission:**

*To continually improve the safety, efficiency and quality of Arizona's highway system and its intermodal connectors.*

**Program Description:**

The Intermodal Transportation Division (ITD) serves as the state's public entity to construct and maintain a quality highway system.

**This Program Contains the following Subprograms:**

- ▶ Development and Administration
- ▶ Maintenance
- ▶ Construction
- ▶ Intermodal Transportation Planning
- ▶ Vehicles and Heavy Equipment

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	62.5	67.7	67.7
Other Appropriated Funds	164,934.0	226,208.3	265,060.2
Other Non-Appropriated Fund	1,161,576.1	2,108,339.7	2,080,440.9
Federal Funds	431,641.3	374,174.0	405,914.3

Program Total	1,758,213.9	2,708,789.7	2,751,483.1
FTE Positions	2,556.0	2,528.0	2,561.0

DTA.2.1 SUBPROGRAM SUMMARY			
<b>DEVELOPMENT AND ADMINISTRATION</b>			
Contact: Bill Higgins, Acting State Engineer			
Phone: (602) 712-7391			
A.R.S. § 28-104			

**Subprogram 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.

**Subprogram Description:**

The ITD – Development and Administration Budget Subprogram includes all full time equivalent positions located statewide, which are appropriated/ budgeted under the Administrative Operating Fund/ Budget. The ITD Core Team provides the key leadership for ITD. This Team consists of the State Engineer, Deputy State Engineers, Chief Administrative Officer, and the Partnering Office Administrator. They encourage all employees to exceed customer expectations through emphasis on delivering quality products and services on time and within budget. Their responsibilities include daily liaison with customers, partners and other stakeholders. Open communication exists with the leaders and project teams in the various Engineering Districts and Development Groups to identify and resolve the short term needs and plan for the long-term needs/accomplishments of the Division. This team is responsible for the project development and operations of the state highway infrastructure.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	41,593.7	44,455.6	60,924.4
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	71.5	73.7	75.8
<b>Subprogram Total</b>	<b>41,665.2</b>	<b>44,529.3</b>	<b>61,000.2</b>
<b>FTE Positions</b>	<b>714.0</b>	<b>686.0</b>	<b>686.0</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the movement of people and products throughout Arizona. Note : There are no objectives for this goal.
- ◆ Goal 2 - To increase the quality, timeliness and cost effectiveness of our products and services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average evaluation rating.	3.2	3.42	3.05	3.15
● Percent of dollars awarded vs. planned.	118	112	90-100	90-100

DTA.2.2 SUBPROGRAM SUMMARY	
<b>MAINTENANCE</b>	
Contact: Bill Higgins, Acting State Engineer	
Phone: (602) 712-7391	
A.R.S. § 28-104	

**Subprogram Mission:**

To maximize the life expectancy, operational efficiency, appearance, and safety of the state highway system.

**Subprogram Description:**

The ITD – Maintenance Budget Subprogram includes all full time equivalent positions located statewide, which are appropriated/ budgeted under the Maintenance Fund/ Budget. This Budget Subprogram is a multi-million dollar operation involving over seventy organizational units distributed throughout the State, working in nine maintenance-engineering districts and a central maintenance office. Funding is provided for asset management on and along approximately 27,000 maintenance travel lane miles of highway. This subprogram includes the highway system’s operation components.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	91,096.5	95,713.7	113,576.7
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>91,096.5</b>	<b>95,713.7</b>	<b>113,576.7</b>
<b>FTE Positions</b>	<b>920.0</b>	<b>920.0</b>	<b>953.0</b>

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the movement of people and products throughout Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Total maintenance lane mile. (calendar year basis) 26,718 TBD 27,212 27,463

- ◆ Goal 2 - To increase the quality, timeliness and cost effectiveness of our products and services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Total state system <171. Note: this measure is on a calendar year basis. 95.20 TBD 95 95

- ◆ Goal 3 - To develop and retain a high performing successful workforce.

- ◆ Goal 4 - To optimize the use of all resources.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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- Percent of state system meeting minimum LOS standards. 85 TBD 81 80
- Number of Variable Message Signs. 91 104 109 113



DTA.2.3 SUBPROGRAM SUMMARY  
**CONSTRUCTION**

Contact: Bill Higgins, Acting State Engineer  
Phone: (602) 712-7391  
A.R.S. § 28-104

**Subprogram Mission:**

*To provide leadership and support in construction administration to continually improve the safety, efficiency, and quality of Arizona's highway system.*

**Subprogram Description:**

The ITD – Construction Budget Subprogram includes all full time equivalent positions located statewide, which are appropriated/ budgeted under the Construction Fund/ Budget. This subprogram is responsible for the administration of a statewide annual construction program of over \$950 million.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	50,742.8	50,825.8
Other Non Appropriated Fund	1,161,576.1	2,108,339.7	2,080,440.9
Federal Funds	425,484.2	363,301.0	397,501.5
<b>Subprogram Total</b>	<b>1,587,060.3</b>	<b>2,522,383.5</b>	<b>2,528,768.2</b>
FTE Positions	623.0	623.0	623.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To improve the movement of people and products throughout Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total lane (travel) miles (calendar year basis).	17,976	TBD	18,274	18,430
● Phoenix District Travel Lane miles open. Note: this measure is on a calendar year basis.	2,105	TBD	2,203	2,259
● Percent of Maricopa Regional Freeway center line miles. (calendar year basis)	62	TBD	73	79
● Travel lane miles open. Note: this measure is on a calendar year basis.	636	TBD	714	770
● Percent of highway construction projects completed on schedule.	99	96.4	98	98
● Total center line miles (calendar year basis).	6,646	TBD	6,663	6,675
● Center line miles open. Note: this measure is on a calendar year basis.	94	TBD	107	117

- ◆ Goal 2 - To increase the quality, timeliness and cost effectiveness of our products and services.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Partnering Evaluation Program Rating.	3.23	3.26	3.25	3.30

- ◆ Goal 3 - To develop and retain a high performing successful workforce. Note: There are no objectives for this goal.

DTA.2.4 SUBPROGRAM SUMMARY  
**INTERMODAL TRANSPORTATION PLANNING**

Contact: Dale Buskirk, Director  
Phone: (602) 712-7431  
A.R.S. § 28-104

**Subprogram Mission:**

*To provide the highest quality multimodal transportation research, plans, and programs for Arizona.*

**Subprogram Description:**

The Transportation Planning Division (TPD) works with its customers and stakeholders in a collaborative effort to develop and implement a statewide transportation policy, facilitate integrated and multi-modal performance-based transportation planning and programming activities, support a robust and advanced georeferenced infrastructure and initiate common processes for the collection, analysis and distribution of fundamental transportation data. The Division helps to identify the important transportation issues facing Arizona, both present and future, and assists through research and planning in the development of the supporting strategies needed to optimize investment to preserve and expand the state's transportation system.

The Division staff is organized into the following organizational units: Administrative Support, the Arizona Transportation Research Center (ATRC), DataBureau, Priority Programming/Air Quality, Public Transportation, State and Regional Planning. Responsibilities include the development of a long-range multi-modal state transportation system plan, development of asset infrastructure investment strategies, preparation of multi-modal corridor profile studies, administration of state and federal air quality mandates, management of state and federal public transportation assistance programs, collection, analysis and dissemination of transportation data and the delivery of research services. Stakeholders include individuals, public and private entities, local and tribal governments, regional planning organizations and other interest groups.

There are five issues critical to the future success of the Division that need to be addressed from a strategic perspective. They are:

**1. Development of a long-range multi-modal transportation plan and programming process**

One of the Division's primary responsibilities is the development of the Arizona Long-Range Multi-modal Transportation Plan (AzTP). The purpose of the plan is to develop a system that allows for the efficient use of transportation resources, facilities and services over the next 20 years. It provides the framework by which state, regional and local plans are coordinated in order to provide strategic direction for sound transportation investment decisions and to ensure that all transportation facilities and services operate as an integrated system. It will serve as the blueprint for investing in the state's transportation system and will assist the agency and other planning entities in setting priorities for the funding of projects and programs over the life cycle of the plan.

Another major TPD responsibility is to provide planning assistance to local communities promoting Small Area Transportation Studies and to provide technical assistance to regional planning agencies. These activities are critical to a solid Long Range, Multi-Modal Transportation Plan that is beneficial to the entire State.

**2. Creation of a Data Bureau**

Reliable Data Collection Data represents a critical strategic resource that is the fuel for a wide range of important activities that sustain and support the Department's activities. TPD is responsible for collecting, processing, analyzing and disseminating a variety of transportation related data pertaining to all public roadways with emphasis on the Arizona state highway system. Data items include pavement condition, traffic volume, system capacity, geo-spatial information and asset inventories. Transportation data are used to support Federal funding apportionments, facilitate the design and construction of transportation projects, promote public safety and mitigate air quality issues. It is published and made available to the Federal Highway Administration (FHWA), local and planning

organizations and the traveling public.

**3. Asset Management**

As a result of the Government Accounting Standards Board Statement 34, ADOT is responsible to account for all of its infrastructure assets. A part of this responsibility includes the development and operation of a Transportation Infrastructure Asset Management System. The Transportation Infrastructure Asset Management System (TIAMS) will provide ADOT decision-makers with the tools to maintain, operate, and upgrade the Arizona transportation infrastructure while maximizing transportation system performance through appropriate investments. The TIAMS will provide ADOT with the tools and information to enable public accountability of ADOT decisions and investments. It will also provide ADOT with the necessary information to evaluate and enhance the decision-making process and inputs based on system performance.

**4. Public Transportation Assistance and State Safety Oversight**

A Public Transportation element/component is key to the success of a Statewide Transportation System. TPD provides technical assistance and other resources to local communities for the planning of rural and special needs public transportation programs. TPD is responsible to develop, maintain and monitor rural, small-urban and special needs transportation grant programs in accordance with federal regulations.

In addition, TPD will develop and conduct a State Safety Oversight (SSO) program to monitor local and regional light rail systems.

**5. Workforce Development**

TPD must have an adequate workforce if it is to meet the requirements involved with the planning, programming and support of a high-quality, multi-modal transportation system. The Division must develop and implement a succession plan to assure the transfer of experience and expertise from key personnel to their new workforce. Additionally, TPD must be diligent in developing a TPD employee development / training plan and set minimum training requirements pertinent to the area of assignment in TPD. These training requirements must be monitored and enforced.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	62.5	67.7	67.7
Other Appropriated Funds	2,776.9	2,777.5	2,779.9
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	6,085.6	10,799.3	8,337.0
<b>Subprogram Total</b>	<b>8,925.0</b>	<b>13,644.5</b>	<b>11,184.6</b>
FTE Positions	52.0	52.0	52.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To Develop and implement the 20-Year Long-Range Transportation Plan and programming process while providing planning assistance to local communities and technical assistance to regional planning agencies.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Percent of AzTP plan completed.	50	80	100	N/A
● Percent Implementation of an Interim Performance Programming Process.	N/A	50	70	100

◆ Goal 4 - To promote Public Transportation Program Assistance and State Safety Oversight.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Review regional planning programs and make state program recommendations.	N/A	100	100	100

DTA.2.5 SUBPROGRAM SUMMARY  
**VEHICLES AND HEAVY EQUIPMENT**

Contact: John H. Nichols, Physical and Plant Administrator  
Phone: (602) 712-7795  
A.R.S. § 28-7006

**Subprogram 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.*

**Subprogram 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	29,466.9	32,518.7	36,953.4
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	29,466.9	32,518.7	36,953.4
FTE Positions	247.0	247.0	247.0

DTA.3 PROGRAM SUMMARY  
**MOTOR VEHICLE**

Contact: Stacy K. Stanton, Division Director  
Phone: (602) 712-8152  
A.R.S. Title 28

**Program Mission:**

*To support Arizona through licensing, vehicle credentialing, revenue collection, safety programs, and by promoting compliance with transportation laws.*

**Program Description:**

The Motor Vehicle Division (MVD) is responsible for transportation-related activities, including: issuance of licenses and vehicle credentials; revenue collection and management; transportation law compliance; and, legislative support.

MVD operates field offices and ports of entry statewide. MVD also oversees the Competitive Government Partnership program for

MVD functions and maintains collaborative partnerships with federal, state, and local agencies. 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	79,521.4	85,175.7	91,683.8
Other Non-Appropriated Fund	4,177.1	4,950.7	4,950.7
Federal Funds	1,651.0	2,846.8	281.0
Program Total	85,349.5	92,973.2	96,915.5
FTE Positions	1,600.0	1,653.0	1,753.0

DTA.3.1 SUBPROGRAM SUMMARY  
**MOTOR VEHICLE SUPPORT SERVICES**

Contact: Stacy K. Stanton, Division Director  
Phone: (602) 712-8152  
A.R.S. Title 28

**Subprogram Mission:**

To lead and support the Motor Vehicle Division in its provision of services.

**Subprogram Description:**

The Motor Vehicle Support Services (MVSS) subprogram is comprised of four major components, including: the Director's Office, Executive Hearing Office, Office of Special Investigations, and Executive Services Group

The Director's Office (DO) provides leadership and assistance in legislative, government, public information and community relations; constituent services; information systems support; and organizational development.

The Executive Hearing Office (EHO) conducts administrative hearings on matters arising under the jurisdiction of the Arizona Department of Transportation (Title 28, Arizona Revised Statutes). These matters include DUI-related offenses, driver license suspension and revocation actions, motor vehicle titles, motor vehicle dealer licenses, motor carrier safety and motor carrier tax and related issues.

The Office of Special Investigations (OSI) provides investigative support services to ADOT to resolve issues of employee misconduct and assumes original jurisdiction in violations of criminal statutes ranging from computer fraud to embezzlement, as well as title and driver license fraud and any other offense related to employee misconduct. OSI is the point of contact for all law enforcement Teletype traffic coming into the agency and is the central point of contact for issues related to stolen vehicles. A major responsibility of OSI is the investigation of complaints against licensed and unlicensed car dealers, including odometer and title fraud. OSI is the agency point of contact for local, county, state, and federal law enforcement agencies with regard to special credentials and vehicle registrations. OSI also provides background investigation services for peace officer applicants coming into the Agency as well as civilian applicants in other selected programs.

The Executive Services Group (ESG) provides management support throughout the Division in the areas of strategic planning and budgeting, human resources, procurement, facility planning and management, purchasing, warehouse supply and distribution, dishonored check handling and contracts. In addition, the Division, other governmental entities, businesses, and the general public are served through the provision of statistical information and reports.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	22,048.3	22,579.4	22,868.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>22,048.3</b>	<b>22,579.4</b>	<b>22,868.0</b>
FTE Positions	140.0	145.0	147.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To promote public safety and protection through regulation, licensing, and the administration of transportation laws.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of days to close a Dealer Investigation case.	155	153	153	153

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total average days to process DUI-related hearings.	39.3	37.5	37.5	37.5

- ◆ Goal 2 - To improve customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total reports identified for page reduction, cancellation/elimination, or consolidation.	N/A	73	Baseline	N/A

- ◆ Goal 3 - To promote safety and security in the workplace.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Injury Incidence Rate (per 100 employees). Note: this measure is on a calendar year basis.	3.62	TBD	3.90	3.90

D'TA.3.2 SUBPROGRAM SUMMARY  
**CUSTOMER SERVICES**

Contact: Stacey K. Stanton, Division Director  
Phone: (602) 712-8152  
A.R.S. Title 28

**Subprogram 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.*

**Subprogram Description:**

This subprogram is comprised of four major components, including: Customer Service, Motor Carrier and Tax Services, Competitive Government Partnerships, and Division Operational Support Services

Customer Service (CS) provides services to the motoring public at 58 field offices statewide. Services include vehicle inspection, titling and registration, driver license skill testing, driver license issuance, commercial driver license and identification card issuance, temporary permits, driver license and vehicle registration reinstatements, commercial title and registration processing, provision of motor vehicle records, title production, processing abandoned vehicle requests and voter registration assistance.

Motor Carrier and Tax Services (MCTS) is a diversified program that is responsible for fuel tax collection; accounting for and distributing HURF and other related revenues; identification of fuel tax evasion activities; bad debt collections for the Division; oversight of the medical review function to process medical eligibility for commercial and noncommercial drivers; interstate motor carrier registration; commercial driver licensing, including skill testing; fleet registrations; and International Fuel Tax Agreement (IFTA) administration. Additionally, MCTS works with other agencies and the federal government regarding motor carrier safety programs, such as the Commercial Vehicle Information System Network (CVISN) and the Performance and Registration Information Systems Management (PRISM).

Competitive Government Partnerships (CGP) is responsible for the oversight of activities related to competitive government, renew-by-mail, motor vehicle dealer licensing, and motor vehicle record sales. Important aspects of CGP include promoting private sector involvement utilizing third party providers of MVD services to minimize the effects of population growth on the quality of products and services provided at MVD field offices, while also increasing state revenues with little or no additional cost to the taxpayer. In addition, CGP licenses professional driving schools. Approximately 700 third parties located throughout Arizona conduct title and registration transactions, driver license testing and application processing, motorcycle safety courses, vehicle inspections, and Traffic Survival Schools. CGP also oversees electronic service delivery by third parties via the internet and by interactive voice response.

Division Operational Support Services (DOSS) assists division-wide initiatives by developing and writing policies and rules, operating five public information call centers and one non-public call center providing technical phone support to field offices. Records management is handled through seven distinct units which include data entry of citations and court abstracts; DUI, criminal and fraudulent records; certification of records, including the photo lab; film research; financial responsibility mandatory insurance verification; title maintenance; customer service counter for records request; and microfilming. Division technical training required for employee competency is identified, coordinated, and provided; external training is provided to third parties, including courts, private companies, and other government entities. DOSS also investigates and processes DUI-related license reinstatements, and provides expert testimony in court proceedings. Finally, on behalf of the Division, DOSS coordinates federal interaction and handling of commercial driver licenses through the Commercial Driver License Information System (CDLIS) and supports help desk activities related to the Problem Driver Pointer System (PDPS) and the National Motor Vehicle Title Information System (NMVTIS).

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	50,196.4	50,950.5	56,418.4
Other Non Appropriated Fund	138.5	156.9	156.9
Federal Funds	0.0	0.0	0.0
Subprogram Total	50,334.9	51,107.4	56,575.3
FTE Positions	1,219.0	1,267.0	1,319.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To promote public safety and protection through regulation, licensing, and the administration of transportation laws.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of days to complete record updates.	41.3	51.7	51.7	51.7

- ◆ Goal 2 - To improve customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average Level II telephone wait time (minutes).	N/A	N/A	Baseline	N/A
● Average customer total visit time (door-to-door) in field offices (minutes).	27.0	22.8	30.0	30.0
● Percent of customers rating overall service either excellent or good.	87.2	79	80	81
● Percent of all vehicle registration renewals completed through alternate methods.	67.6	68.7	72	72

- ◆ Goal 3 - To promote safety and security in the workplace. Note: Customer Services has no objective/s for this goal.

- ◆ Goal 4 - To develop and retain a high-performing, successful workforce. Note: Customer Services has no objective/s for this goal

- ◆ Goal 5 - To increase the use of electronic service delivery.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total internet transactions and activities (in thousands).	859.9	1,741.3	2,500.0	3,500.0

- ◆ Goal 6 - To promote the efficient generation, collection, and management of revenues to meet public needs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of expected tax reports filed that were also fully paid on time or that did not owe taxes.	N/A	73.8	74	74
● Ratio of dollars collected for every dollar spent on fuel tax evasion enforcement efforts.	N/A	88:1	2:1	2:1

DTA.3.3 SUBPROGRAM SUMMARY  
**MOTOR VEHICLE ENFORCEMENT SERVICES**

Contact: Ric Athey, Assistant Division Director  
 Phone: (602) 712-8735  
 A.R.S. Title 28

**Subprogram Mission:**

To accomplish mandated enforcement and regulatory responsibilities and provide a system that ensures public safety.

**Subprogram Description:**

The Motor Vehicle Enforcement Services (MVES) subprogram utilizes certified peace officers in the enforcement of transportation-related laws and regulations. Through the fixed port of entry system and mobile enforcement, commercial vehicles are checked for compliance with size, weight and safety laws, including laws relating to the transportation of hazardous materials. In addition, MVES inspects vehicles for authorized ownership and monitors and recovers stolen vehicles and vehicle components.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	7,276.7	11,645.8	12,397.4
Other Non Appropriated Fund	4,038.6	4,793.8	4,793.8
Federal Funds	1,651.0	2,846.8	281.0
Subprogram Total	12,966.3	19,286.4	17,472.2
FTE Positions	241.0	241.0	287.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To promote public safety and protection through regulation, licensing, and the administration of transportation laws.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of vehicles waved-through at POEs during hours of operation.	6.2	2.2	2.2	2.2

- ◆ Goal 2 - To improve customer service. Note: There are no objectives for this goal.
- ◆ Goal 3 - To promote safety and security in the work place. Note: There are no objectives for this goal.
- ◆ Goal 4 - To develop and retain a high-performing, successful workforce. Note: There are no objectives for this goal.
- ◆ Goal 5 - To Increase the use of electronic service delivery. Note: There are no objectives for this goal.
- ◆ Goal 6 - To promote the efficient generation, collection, and management of revenues to meet the public needs.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Total direct revenues generated as a result of active enforcement efforts and database letters (dollars in thousands).	261	1,953	3,577	3,577

DTA.4 PROGRAM SUMMARY  
**AERONAUTICS**

Contact: Kim Stevens, Acting Division Director  
 Phone: (602) 294-9144  
 A.R.S. § 28-332

**Program Mission:**

To encourage and advance the safe and orderly development of aviation within the State.

**Program Description:**

The Aeronautics Division is responsible for the development of a balanced, integrated and effective aviation system designed to meet both the present and future needs of the citizens of Arizona. It fulfills this responsibility by registering aircraft, licensing airplane dealers, developing and administering the five year airport development program, promoting aviation services through community outreach and education and making recommendations with respect to legislative and policy issues.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3,281.8	1,896.1	1,898.5
Other Non-Appropriated Fund	13,183.7	15,264.0	15,264.0
Federal Funds	8,754.0	2,000.0	7,650.0
Program Total	25,219.5	19,160.1	24,812.5
FTE Positions	33.0	33.0	33.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To increase the quality, timeliness and cost effectiveness of our aviation services

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent projects completed on schedule.	90	90	95	95
• Days to process an application.	3	3	2	2
• Actual cash balance as a percent of projected balance.	+/- 8	+/- 6	+/- 4	+/-5

- ◆ Goal 2 - To maintain airport infrastructure leading to the improved movement of people and products throughout Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of airport infrastructure meeting established service level standards.	91	90	89	88

- ◆ Goal 3 - To improve public and political support by further development and expansion of the aviation outreach program.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Percent of AOP program completed.	40	40	60	75





Natural Resources





**AGENCY SUMMARY  
GAME AND FISH DEPARTMENT**

Duane Shroufe, Director  
Contact: Steve Ferrell, Deputy Director  
A.R.S. § 17-101 et seq

GFA

**Agency 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.

**Agency Description:**

The Department operates pursuant to A.R.S. Title 17 and A.R.S. Title 5. The laws relating to wildlife and watercraft operations are administered by the Arizona Game and Fish Department (AGFD) under the control of the Game and Fish Commission. The Department is responsible for managing Arizona's wildlife populations. The Department is involved in trying to ensure the diversity of wildlife that resides in Arizona is maintained. We have been working to reintroduce once extirpated species - the black-footed ferret, the California condor, the Mexican gray wolf and the Gila trout. Efforts at restoring threatened and endangered species have enabled a few species, such as the peregrine falcon, to be delisted (removed from the Federal Endangered Species List). The Department is also involved in helping to protect wildlife resources. We accomplish part of this through efforts to educate off-highway vehicle operators about safe and responsible use of these vehicles. The Department also is responsible for enforcing safe boating laws and registering watercraft.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ CENTRAL ADMINISTRATIVE SERVICES	1,887.3	2,144.4	2,033.6
➤ OFF-HIGHWAY VEHICLE/WATERCRAFT	4,934.1	4,764.4	4,818.8
➤ NONGAME AND ENDANGERED WILDLIFE	22,770.0	14,708.6	13,728.9
➤ GAME MANAGEMENT	19,492.7	21,876.3	21,143.9
➤ SPORTFISH MANAGEMENT	16,442.3	18,859.6	18,253.6
Agency Total	65,526.4	62,353.3	59,978.8

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	22,426.8	25,775.9	24,808.6
Other Non-Appropriated Fund	23,494.6	16,203.0	14,774.6
Federal Funds	19,605.0	20,374.4	20,395.6
Agency Operating Funds Total	65,526.4	62,353.3	59,978.8
FTE Positions	641.0	641.0	638.0

**Strategic Issues**

**Strategic Issue Number: 1**

*The Department has insufficient funding for salaries and associated employee related expenditures in the Game and Fish fund.*

The shortage results from the Department's continuing efforts to reduce turnover and meet diversity goals, by offering salaries competitive with market rates. The FY 2003 Game and Fish Fund Personal Services allocation is \$9,344,600, and salaries for the 244.5 Game and Fish Fund FTEs are expected to total \$9,635,000 in the same fiscal year. This projected shortage of \$290,400 in Personal Services for FY 2003 must be covered from other operating funds or through an increase in the allocation for personal services and employee related expenditures in our appropriation.

**Strategic Issue Number: 2**

*Funding for Species of Greatest Conservation Need*

The Department lacks sufficient funding to develop and implement projects needed to recover 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 virtually zero, and other petitioners, litigants, and the U.S. Fish and Wildlife Service continually propose others for addition to the list.

**Strategic Issue Number: 3**

*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 will be sponsoring multicultural training events for employees.

**Strategic Issue Number: 4**

*Employee Morale.*

Professional State employees are below market in terms of salary and benefits packages. We continue to lose valued employees to the Federal Government and private industry. There is a high cost associated with training and recruiting employees.

**Strategic Issue Number: 5**

*Revenues for funding wildlife management will decline into the future.*

Alternative methods of funding wildlife management efforts will need to be located or wildlife programs will be cut. Through social survey data our Department anticipates that any reduction in management or enforcement activities will cause a decline in public satisfaction with Department work efforts. It is therefore critical that we maintain and/or increase our funding alternatives.

**Strategic Issue Number: 6**

*Operating a watercraft while impaired.*

The 2001 Arizona Boating Safety Report indicates that 28.5% of all fatal watercraft accidents are a direct result of 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. It has only been in the past few years that public sentiment towards drinking and boating has become less acceptable.

**Strategic Issue Number: 7**

*Watercraft operators lack boating safety education.*

The 2001 Arizona Boating Safety Report indicated that in 68% of reported watercraft accidents the operator had no boating education. Boating education is important, as laws regulating watercraft operation are greatly different than laws regulating motor vehicle use.

**Strategic Issue Number: 8**

*Watercraft operators are unfamiliar with watercraft regulations.*

Watercraft operators do not understand watercraft laws. The most common violation is for an operator not to have sufficient personal

floatation devices (PFDs), and although not as common, many operators are cited for not having children in a PFD. All children under the age twelve and under are required to wear a PFD whenever a boat is underway. It is not uncommon in a watercraft accident for people to be ejected from the boat, and proper PFD use can help prevent injury or drowning.

Other common watercraft violations involve use of personal watercraft. Arizona regulations allow an individual as young as twelve years old to operate a watercraft without an adult on board. It is important that all watercraft operators be knowledgeable about watercraft laws.

**Strategic Issue Number: 9**

*There are no statewide standardized off-highway vehicle regulations.*

There is no uniform regulation or enforcement in regards to off-highway vehicle (OHV) operation in Arizona. Individual land management agencies set their own regulations. Ultimately, standardized laws/rules would accommodate uniform enforcement. This would also benefit the public because OHV users would have to abide by the same rules and regulations, regardless of where the activity was conducted.

**Strategic Issue Number: 10**

*There are no standardized off-highway vehicle accident reporting requirements*

There are no requirements that require the reporting of accidents involving off-highway vehicles (OHVs). Without accident data the number, frequency, and location of OHV accidents, and the demographics of those involved in OHV accidents cannot be determined. This type of data is essential to learn where to focus to increase public safety associated with OHV use.

**Strategic Issue Number: 11**

*OHV operators lack training in safe and responsible use of OHVs.*

While many OHV users are licensed to operate motor vehicles on public roadways, there is no minimum age to operate an OHV off road. Additionally, OHVs are often used in areas congested by many users without set roadways or travel patterns.

**GFA.1 PROGRAM SUMMARY  
CENTRAL ADMINISTRATIVE SERVICES**

Contact: Steve Ferrell, Deputy Director  
Phone: (602) 789-3276  
A.R.S. Title 17, A.R.S. Title 5

**Program Mission:**

*To effectively manage the Department, and ensure accountability for all Department activities.*

**Program 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,810.4	2,024.5	1,913.7
Other Non-Appropriated Fund	76.9	119.9	119.9
Federal Funds	0.0	0.0	0.0
<b>Program Total</b>	<b>1,887.3</b>	<b>2,144.4</b>	<b>2,033.6</b>

FTE Positions	24.5	24.5	24.5
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**Program Goals and Performance Measures:**

- ◆ Goal 1 - To 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of staff turnover.	11.5	10.4	12.5	13
● Number of AGFD policies reviewed : updated.	23:8	21:21	20:15	20:15
● Number of AGFD process improvement teams convened.	18	19	15	15

**GFA.2 PROGRAM SUMMARY  
OFF-HIGHWAY VEHICLE/WATERCRAFT**

Contact: Steve Ferrell, Deputy Director  
Phone: (602) 789-3276  
A.R.S. Title 17, 28, and 5

**Program Mission:**

*To protect wildlife resources and public safety by promoting responsible use of watercraft and recreational vehicles, through information, education, regulation, and enforcement.*

**Program 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. The Watercraft segment of this Program makes the rules required to carry out all provisions of A.R.S. Title 5, Chapter 3. It regulates the registration and operation of watercraft; provides law enforcement, boating-safety education, boating access, and a uniform waterway-marking system; and maintains aids-to navigation, and hazard and regulatory markers on the waters of Arizona.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,431.0	2,140.8	2,086.8
Other Non-Appropriated Fund	759.7	823.9	852.1
Federal Funds	1,743.4	1,799.7	1,879.9
<b>Program Total</b>	<b>4,934.1</b>	<b>4,764.4</b>	<b>4,818.8</b>
FTE Positions	39.5	39.5	39.5

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To provide law enforcement needed to ensure the boating public is provided a safe/enjoyable experience.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of AGFD watercraft enforcement hours.	17,700	19,588	16,500	16,000
● Number of observed watercraft violations.	2,396	2,110	2,750	3,000

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of watercraft accidents reported (<\$500.00 damage do not have to be reported).	327	330	400	400
● Percentage of the public surveyed rating watercraft safety good or excellent, of those expressing an opinion.	62	61	65	66
◆ Goal 2 - To provide excellent customer service to all individuals registering a watercraft in Arizona.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of watercraft registered in Arizona. (registration requirements changed in 2000, fewer types of watercraft require registration).	152,457	150,032	158,600	161,800
● Watercraft registration renewal processing time by mail (days).	9.0	6	8.5	8.0
● Customer rating of walk-in watercraft registration on a scale of 1 - 10, with 10 being excellent.	9.78	9.83	9.85	9.90

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
◆ Goal 3 - To provide boaters with safety-training education and information materials to maximize boater safety and enjoyment on the State's waterways.				
● Number of watercraft user contacts made by field officers.	21,000	18,651	23,000	23,500
● Number of students completing AGFD sponsored watercraft safety classes.	1,112	672	1,300	1,400

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
◆ Goal 4 - To provide the public and land management agencies with information on habitat protection, safe OHV use, and available OHV use areas.				
● Number of off-highway user contacts by AGFD field officers.	12,101	13,748	14,000	14,500
● Estimated number of OHV user days in millions.	21.5	13.9	23	24
● Number of OHV patrol hours.	12,300	13,993	12,300	12,300
● Number of off-highway vehicle violations observed.	638	641	675	700

GFA.3 PROGRAM SUMMARY  
**NONGAME AND ENDANGERED WILDLIFE**  
 Contact: Steve Ferrell, Deputy Director  
 Phone: (602) 789-3276  
 A.R.S Title 17

**Program Mission:**

*To enhance nongame and endangered 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.*

**Program 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, enforcing regulations to conserve populations, distributing information about nongame and endangered wildlife species, and providing input on land management actions that potentially impact wildlife habitats.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,347.7	1,706.3	1,638.0
Other Non-Appropriated Fund	16,387.3	8,019.2	7,486.2
Federal Funds	5,035.0	4,983.1	4,604.7
<b>Program Total</b>	<b>22,770.0</b>	<b>14,708.6</b>	<b>13,728.9</b>
FTE Positions	157.0	157.0	154.0

**Program Goals and Performance Measures:**

◆ Goal 1 - To maintain and restore the natural diversity of Arizona's nongame/endangered wildlife.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of public rating nongame management as good or excellent, of those expressing an opinion.	71	77	74	75

GFA.4 PROGRAM SUMMARY  
**GAME MANAGEMENT**  
 Contact: Steve Ferrell, Deputy Director  
 Phone: (602) 789-3276  
 A.R.S. Title 17

**Program Mission:**

*To manage game wildlife populations and their habitats to maintain the natural diversity of Arizona, and to provide game wildlife-oriented recreation opportunities for present and future generations.*

**Program Description:**

Arizona is host to many species of wildlife. Those mammals and birds which are actively hunted are considered game animals. Hunting is a management tool for the Department and a recreational past-time 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate

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General Funds	0.0	0.0	0.0
Other Appropriated Funds	10,186.7	12,101.7	11,652.7
Other Non-Appropriated Fund	3,192.3	3,663.6	3,215.8
Federal Funds	6,113.7	6,111.0	6,275.4
<b>Program Total</b>	<b>19,492.7</b>	<b>21,876.3</b>	<b>21,143.9</b>
FTE Positions	228.5	228.5	228.5

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of anglers satisfied with angling information products and services.	86	86	86	87
● Angler rating of fishing products and services on a scale of 1 - 10 (1 extremely dissatisfied to 10 extremely satisfied).	7.4	7.5	7.6	7.7

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To maintain the natural diversity of game populations in Arizona, while providing sustainable recreational opportunities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Hunter recreation days (millions).	1.4	1.3	1.5	1.5
● Ratio of number of big game permit tags to the number of people applying.	.45	.52	.46	.46

- ◆ Goal 2 - To provide recreational opportunities.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Angler Recreation Days (millions).	6.0	6.0	6.2	6.3
● Percent of anglers satisfied with their angling experiences.	68	68	69	69
● Number of urban lake fishing angler days.	515,000	600,000	528,000	534,000
● Number of urban fishing licenses sold.	25,907	27,411	26,500	26,750

GFA.5                      **PROGRAM SUMMARY**  
**SPORTFISH MANAGEMENT**

Contact: Steve Ferrell, Deputy Director  
 Phone: (602) 789-3276  
 A.R.S. Title 17



**Program 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.*

**Program Description:**

Arizona has many species of fish. Most fish pursued by anglers are not native to Arizona. These fish were and still are imported from other places to meet Arizona's angling demands. Management of sportfish is accomplished through population inventories, regulation of harvest, 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.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	6,651.0	7,802.6	7,517.4
Other Non-Appropriated Fund	3,078.4	3,576.4	3,100.6
Federal Funds	6,712.9	7,480.6	7,635.6
<b>Program Total</b>	<b>16,442.3</b>	<b>18,859.6</b>	<b>18,253.6</b>
FTE Positions	191.5	191.5	191.5

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To increase public awareness of Arizona's sportfishing resources.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
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**AGENCY SUMMARY  
GEOLOGICAL SURVEY**

Larry D. Fellows, Director and State Geologist GSA  
Contact:  
A.R.S. § 27-151

**Agency 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.

**Agency Description:**

The Department's activities include: (1) map and characterize rock formations, surficial materials, and mineral and energy resources, (2) describe and monitor known and potential geologic hazards and limitations to land and resource management (earthquakes, flooding, land subsidence and earth fissures caused by overpumping groundwater, landslides and debris flows, rock solution and collapse), (3) provide administrative and staff support for the Arizona Oil and Gas Conservation Commission, and (4) inform and advise the public by answering questions, selling reports and maps, and maintaining a geology library and databases. Geologic data users: governmental land- and resource-management agencies (ASLD, ADWR, ADEQ, ADOT, State Parks, Office of Tourism, Commerce, Attorney General), elected officials and staff, environmental and engineering geology companies, hydrologists, energy and mineral exploration and production companies, consultants, property owners and managers, attorneys, realtors, insurance companies, teachers, students, libraries, book dealers, professional societies, and interested citizens and groups.

**Funding and FTE Summary:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	770.8	778.7	778.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	266.7	123.2	117.7
Federal Funds	308.8	343.7	267.2
Agency Operating Funds Total	1,346.3	1,245.6	1,163.6
FTE Positions	12.3	12.3	12.3

**Strategic Issues**

**Strategic Issue Number: 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.

**Strategic Issue Number: 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.

**Strategic Issue Number: 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.

**Strategic Issue Number: 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.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To characterize rocks, surficial materials, mineral and energy resources, and geologic hazards, with emphasis on areas that have potential for urban and resource development, and provide this information to the public.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of new geologic maps and databases completed.	9	8	7	7
● Number of new reports on hazards or resources released.	8	2	2	2
● Technical maps/reports sold.	8,166	6,525	6,656	6,856
● Percent increase (decrease) in sales of technical maps and reports.	(1.6)	(20)	2	3

*Decrease in FY 2003 is attributed to the weak economy and a slowdown in business activities.*

- ◆ Goal 2 - To inform those not trained in geology about geologic processes and resources in Arizona.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of talks given or fieldtrips led.	24	17	15	15
● Number of new non-technical reports released.	1	1	3	2
● Non-technical reports sold.	1,364	1,807	2,078	2,390
● Percent increase (decrease) in sales of non-technical reports.	31	32	15	15

- ◆ Goal 3 - To disseminate more information while maintaining efficient service and high customer satisfaction.

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Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• New maps/reports released.	27	28	20	20
• Percent of mail orders filled the same day received.	94	94	95	95
• Satisfaction with mail order service provided, 1-5 (highest) scale.	4.9	4.9	4.9	4.9
• Total number of publications sold.	9,530	8,332	8,499	8,669
• Percent increase (decrease) in number of publications sold.	2.0	(12.6)	2.0	2.0
<i>Decrease in FY 2003 is due to a large decrease in sale of technical items that was only partly offset by an increase in the sale of non-technical publications.</i>				
• Quality of products sold, 1-5 (highest) scale.	4.7	4.8	4.8	4.8

◆ Goal 4 - To effectively assist the Arizona Oil and Gas Conservation Commission.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
• Compliance and safety inspections made.	29	28	35	35
• Drilling permits issued.	5	1	5	5
• Average days to issue a permit.	5	4	5	5



**AGENCY SUMMARY  
STATE LAND DEPARTMENT**

Mark Winkleman, State Land Commissioner LDA  
 Contact: Mark Winkleman, State Land Commissioner  
 A.R.S. § 37-100

**Agency 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.

**Agency Description:**

The State Land Department was established in 1915 to manage the State Trust lands on behalf of the fourteen 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. Under the State Land Commissioner, the Department works to administer, sell, and lease the State's Trust lands and natural products therefrom to generate revenues for the Trust beneficiaries. Revenues derived from land and natural product sales are deposited into a permanent fund and invested by the State Treasurer. The investment earnings are subsequently transferred to an expendable account for use by the appropriate beneficiary. Lease revenues are deposited into an expendable account for use by the appropriate beneficiary as well. The Department has concentrated much of its revenue generation effort in the state's urban areas where state trust land is often in the path of growth and, as a result, becomes more valuable.

As central as revenue generation is for the Trust, the Department also works to sustain the long-term value for the Trust's beneficiaries. It has programs to deal with environmental issues such as existing and potential contamination matters and trespasses of individuals onto Trust lands. Through the Arizona Preserve Initiative, the Department also seeks to secure long-term protection of lands with conservation values in and around the urban areas of the State.

The Department also operates the State's Wildland Fire Prevention and Suppression Programs on state and private lands outside incorporated areas. The State Land Commissioner serves as the State Forester, providing technical assistance to individuals and local governments for the fire/fuel hazard reduction and other forestry programs in the wildland/urban interface. The Department 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 GIS services including development and sharing of data layers through the Arizona Land Resources Information System (ALRIS) program.

Agency Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ TRUST MANAGEMENT AND REVENUE GENERATION	42,837.8	36,121.0	28,624.9
➤ OUTSIDE ASSISTANCE AND GRANTS	1,043.5	1,090.1	787.7
Agency Total	43,881.3	37,211.1	29,412.6

Funding and FTE Summary:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	13,651.1	16,531.6	16,531.6
Other Appropriated Funds	4,293.3	490.0	250.0
Other Non-Appropriated Fund	22,348.5	15,409.6	8,091.9
Federal Funds	3,588.4	4,779.9	4,539.1
Agency Operating Funds Total	43,881.3	37,211.1	29,412.6
FTE Positions	185.9	187.9	185.9

**Strategic Issues**

**Strategic Issue Number: 1**

*Real Estate Market Impact*

The real estate market in Arizona, like other selected areas in the Western United States, remains robust and dynamic. Despite a recession that commenced at the end of the first quarter 2001, real estate has been a bright spot for the State and particularly for the metropolitan Phoenix market. The State Land Trust continues to benefit greatly from this market. The Arizona State Land Department, manages more than nine million acres for the Trust, and is therefore an important supplier of land for commercial, residential, open space and other uses. Most of the Department's activities are concentrated in the Phoenix metropolitan area, where the Trust owns some of the most valuable real estate in the Southwest. During FY 2002-03, the Department generated approximately \$133 million from real estate activities, about 90% of total Department revenues. The majority of this revenue, approximately \$102 million, was attributed to land sales with the remainder generated from leasing and rights-of-way. In addition, the land values associated with the transactions has increased dramatically. One 50-acre multi-family parcel in North Phoenix, for example, sold for \$24 million or \$11 per square foot. There are 150 sales and long term lease applications in process for Trust land in metro Phoenix and other areas of the State. This represents several years worth of Land Department disposition transactions and hundreds of millions of dollars of Trust revenues. It is also important to note that more than a thousand acres sold during the fiscal year were designated as open space. This may be attributable to implementation of Arizona's Growing Smarter legislation, but also to the increase in the demand for land as open space or for conservation. The demand for open space escalates as population density in a given area increases. The impact of population growth on the State, the changing nature of Arizona's economy and the structure of its labor force (from fewer mining and agricultural workers to more high technology and service-oriented workers), the future availability and adequacy of water supplies and the demand for open space that parallels increased development have emerged as key strategic issues. Thus, the Department will require increased resources to manage the expansion of its planned urban lands inventory in order to maximize its revenues for the Trust.

**Strategic Issue Number: 2**

*Fire Hazard Reduction in the Wildland/Urban Interface*

The horrific consequences of the Rodeo/Chediski Fire and the terrible losses suffered in Summerhaven this summer have galvanized attention in the state to the need to immediately address the wildfire hazards in the

wildland/ urban interface. Statewide, 75,000 acres have been identified as needing treatment in or around 70 communities in all 13 counties. Effective mitigation of the wildfire hazards in the wildland/ urban interface will require a cooperative effort of federal, state, county, and community agencies, and private landowners. In addition to meeting the State's own stewardship responsibilities, the State Land Department, is the lead agency for providing wildland fire and forestry assistance to private landowners and rural communities. However, the Department's very limited fire management staff is insufficient to adequately meet the urgent need to assist rural homeowners with mitigating the fire-fuel conditions in the state's wildland/ urban interface. Additional staff and funding will be required to plan and manage fuel treatments on thousands of acres of state and private lands if any significant improvements in the hazardous fuel conditions are to be made in the next few years.

**Strategic Issue Number: 3**

*Navigable Streambed*

The State's Legislative attempts to resolve the issue over the State's sovereign rights or ownership of lands associated with over 39,000 streambeds and other water courses in the state have landed the State Land Department in court for the third time since 1985. All previous attempts to resolve this issue have resulted in the court's determination that the legislative actions were unconstitutional. The latest attempt towards resolution has been challenged in *Defenders of Wildlife, et al. v. M. E. Anable, State Land Commissioner, et. al.* (2002), which in part challenges the constitutionality of the 2001 legislation. 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 benefit of the Trust's beneficiaries. Without adequate staffing and funding in the Department 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 and the State's economy. The Department is likely to face contentious and expensive litigation relating to its performance (or alleged failure to perform) its duties with respect to both sovereign lands and Trust lands. The work load will be overwhelming.

**Strategic Issue Number: 4**

*Customer Service*

Since 1998, the Department has tracked its customer service improvement program. The primary objective of the program is to continuously work to provide excellent customer service, both to internal customers (staff) and external customers (the public). Customer surveys consistently reflect a satisfactory rating in virtually every category. To ensure continued improvement in customer service the Department proposes to: promote active teamwork, communication and customer relations training for all employees; continue to improve and update the Department's web site; review options of computer enhancement to provide computerized copies of land use applications and other forms to the public upon request.

**Strategic Issue Number: 5**

*Land Conservation/Condemnation/Exchange*

The federal government has "captured" approximately 500,000 acres of Arizona's State Trust surface and mineral resources within existing and proposed federal land management programs. The surface value of these "captured" Trust lands is estimated to be over \$400 million. The "capture" of these Trust lands impose land use planning and use restrictions on federal lands that adversely impact the State's use of the Trust lands at the expense of the State Trust beneficiaries and the State's economy. These state lands, both surface and mineral estates are "captured" within military reservations, federal wilderness areas, national monuments, parks, recreational and conservation areas, and Native American reservations. In addition, several federal condemnations of State land are either authorized or being considered by Congress, i.e. Hopi Tribe: 144,000 acres of Trust land; Petrified Forest National Park

expansion: 36,000 acres of Trust land; Lake Pleasant expansion: 28,000 acres of Trust land. The State's repeated requests for compensation for the "captured" Trust lands and resources have gone largely unheeded. Under the current situation, the State is losing potential economic opportunities on the "captured" lands resulting in continuing loss of revenues to the Trust and its beneficiaries. The ripple effect of these lost revenues to the Trust will undoubtedly add to the state's weakened economy.

**Strategic Issue Number: 6**

*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 State should provide sufficient funds to enable the Department to employ the experts needed to support the above-described litigation. In FY 2002, the initial request for \$4,000,000 was to be spent over a period of five years for expert witnesses and other studies. In FY 2002 the legislature appropriated \$800,000, and in FY 2004 the appropriation was reduced to \$519,302. The intention of the legislature was to provide this money over a five-year period; however, based on the reduced annual appropriations the funding should be extended to provide the \$4,000,000 requested. The monies in FY 2002 and FY 2003 were utilized to design, initiate and complete the preliminary stages of a multistage analysis of State Trust lands to support the State's claims for existing water uses and its Federal reserve water right claim. The FY 2004 money will be utilized to continue the analysis and studies. The adjudications were stalled for several years pending a series of appeals to the Arizona Supreme Court. Litigation is now proceeding with both courts focusing on tribal and federal reserved rights claims. The Department was informed that most expert witnesses who have been retained by other parties have estimated that they will require a minimum of three years to complete their investigation, analysis and to prepare their reports. Obtaining the funding necessary to complete the program in order to protect the Trust's water rights and therein the immense value to the beneficiaries is crucial.

LDA.1 PROGRAM SUMMARY  
**TRUST MANAGEMENT AND REVENUE  
GENERATION**

Contact: Mark Winkleman, State Land Commissioner  
Phone: (602) 542-4621  
A.R.S. § 37-201 to 37-611

**Program Mission:**

*To manage State Trust lands and resources to enhance value, optimize economic return for the Trust beneficiaries, provide assistance to communities and citizens on forestry matters, and manage wildfires on state and private lands.*

**Program 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 are deposited in the Permanent Fund. Revenues earned from leasing Trust lands as well as the Permanent Fund's interest are deposited in the expendable account for use by the appropriate beneficiary. The Department provides management on Trust lands and technical assistance to communities and private land owners for fire and forestry management activities.



2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	13,368.1	16,064.5	16,064.5
Other Appropriated Funds	3,663.5	0.0	0.0
Other Non-Appropriated Fund	22,225.0	15,288.6	8,033.3
Federal Funds	3,581.2	4,767.9	4,527.1
<b>Program Total</b>	<b>42,837.8</b>	<b>36,121.0</b>	<b>28,624.9</b>
FTE Positions	180.9	182.9	180.9

**Program Goals and Performance Measures:**

◆ Goal 1 - To administer Trust resources to optimize revenue over time.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Total Trust revenue generated (in millions).	154.7	204.2	156.5	145.3
● Balance in Permanent Fund (in millions).	1,072.1	1,110.0	1,200.3	1,260.8
● Total expendable receipts, excluding interest on permanent fund and school leases (millions).	35.0	43.2	46.2	58.4
● Total annual revenue to permanent fund (millions).	56.0	86.0	90.3	60.5
● Number of participation sales.	2	0	2	2
● Number of auctions where broker commission is paid.	7	6	10	14
● Number of subsurface leases.	2	4	7	8
● Percent increase in commercial leasing revenue.	10	34	17	12
● Percent increase of sales value above appraised value.	12	8	12	14
● Percent of total leasing revenue from long-term leases.	47	58	64	64
● Net present value of long-term leases (in millions).	200	241	245	250

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cumulative percent of potential acres (2,685,224) assessed under Minerals Asset Management process.	52	52	53	54
● Cumulative percent of potential acres (1,620,221) assessed under Forestry Asset Management process.	59.5	60	60.5	61
● Cumulative percent of potential acres (215,000) assessed under Agriculture Asset Management process.	15	15	20	25

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cumulative percent of potential acres (8,402,145) assessed under Grazing Asset Management process.	10	15	20	25
● Cumulative percent of potential acres in Maricopa and Pima County under master plans (382,346 acres).	6.5	6.9	7.7	8.0
● Percent of urban acres within municipal boundaries under conceptual plans (statewide 668,652 urban acres).	58	58	63	68
● Cumulative total of conceptual plans completed under Growing Smarter (statewide, 47 communities have a minimum of 160 acres of trust land).	18	22	25	28
● Percent of conceptual plans that have been integrated into community general plans (statewide 47 communities have a minimum of 160 acres of trust land).	10	19	22	25

◆ Goal 3 - To protect unique Trust resources to maintain the long-term value of the asset.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Acres reclassified as suitable for conservation purposes.	13,816	164	7,000	1,700
● Number of acres sold or leased for open space conservation or parkland.	1,380	1,600	1,750	1,950
● Proposed land use and disposition actions reviewed for cultural resource considerations.	459	337	400	400
● Number of hazardous and nonhazardous materials sites remediated.	46	20	15	15

◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average processing time for long-term leases (tracked by months).	19.5	22.4	19.0	16.0
● New short-term lease processing time (in months).	9.0	9.3	8.4	7.5
● Average processing time for sales applications (tracked by months).	34.4	32.0	27.2	23.1
● In-house appraisal turnaround time (days from administrator request to receipt by section manager).	216	170	121	110
● Contract appraisal turnaround time (days from administrator request to receipt by section manager).	222	180	127	115

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average trust land earnings per acre sold (in dollars).	22,000	35,500	41,400	46,200
● Average trust land earnings per acre on new long-term commercial leases.	191,575	186,450	53,800	180,300
◆ Goal 5 - To provide technical fire, forest health, and forestry management assistance to private land owners.				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Private forest landowners assisted with Land Department prepared management plans each year.	893	1,112	750	750
● Total acres of private forest land under management (1,000 acres).	1,136	1,137	1,138	1,142
● Acres treated on private forest and range lands each year.	350	3,175	2,000	2,000
● Acres of land treated, including prescribed burning, to reduce hazardous fuels; and to protect and improve Trust land and private properties.	1,075	4,000	3,500	3,500

◆ Goal 6 - To prevent and suppress wildfires on Trust and private lands safely, effectively and efficiently by assisting 85% of rural fire departments, and contain 95% of forest fires to less than 100 acres.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of fires controlled at 100 acres or less.	98	98	95	95
● Rural firefighters assisted with training and equipment.	1,164	1,100	1,000	1,000
● Percent of fire departments under cooperative agreement to provide fire control support.	95	90	95	95
● Percent of fire bills processed for payment within 30 days.	96	91	95	95
● Trust land treated to reduce wildland fire danger to improve forest and range land condition.	740	825	1,500	1,500
● Percent of rural fire departments assisted with training and equipment.	84	85	85	85

◆ Goal 7 - To provide efficient internal support and coordination to enable the Department to accomplish its mission.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of findings during annual financial audit.	0	0	0	0
● Percent of employees satisfied with training on new information systems.	98	100	90	90
● Average score on employee satisfaction survey. (Survey rating 5 - 1; 5 = very satisfied, 1 - unsatisfied).	3.5	3.2	3.6	3.7

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average number of minutes to resolve computer user problems.	27	N/A	25	15
● Percent of agency staff turnover.	11.7	14.9	15	13
● Administration as a percentage of total cost.	7.5	5.9	5.8	5.8

◆ Goal 8 - To improve Department productivity and minimize costs through increased efficiency and risk reduction.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of employees receiving basic computer training.	131	22	62	105
● Number of professional training hours for staff.	3,414	2,250	2,300	2,300
● Number of agency's administrative policies updated or added.	10	5	5	5
● Percent of employees completing agency required training.	91	100	98	98

◆ Goal 9 - To develop and implement measures to improve external customer service.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of customers giving the department a rating above 4. (Survey rating 5 - 1; 5 = very satisfied, 1 = unsatisfied.)	85	89	90	90
● Number of times the public accesses the Department's business and GIS systems interactively via the Internet.	3,218	10,096	15,000	25,000
● Number of settlement hearings vs. number of appeal hearings.	22/7	10/4	15/7	12/6
● Number of services available to the public via the Internet.	77	80	85	90
● Number of interactive applications available through the web site.	2	3	4	5
● Number of times interactive applications are accessed by the public.	3,218	15,075	25,000	40,000
● Number of times the web site is accessed.	55,107	70,517	90,000	110,000

◆ Goal 10 - To incorporate environmental protection into the Department's management actions to enhance the future productivity of the 'Trusts' land and assets.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Acres of land closed for dust abatement.	3,171	42,607	10,000	10,000
● Amount appropriated.	500,000	500,000	500,000	500,000
Request for funding in FY 2004 through FY 2006, and monitor the budget process to insure funding for FY 2002 and FY 2003 remains committed to this project.				
● Miles of trails inventoried.	4,600	2,800	1,000	1,000

2003 - 2005 MASTER LIST OF STATE GOVERNMENT PROGRAMS

◆ Goal 11 - To continue an effective program of land conservation of appropriate State lands while ensuring continued economic benefits to the trust.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Cumulative number of acres petitioned to be reclassified for conservation.	111,383	115,293	116,000	116,500
● Cumulative number of acres sold under Arizona Preserve Initiative.	1,612	2,301	3,179	3,711
● Number of Arizona Preserve Initiative land sale/leases.	2/0	2/0	3/0	4/0
● Cumulative number of acres reclassified as suitable for conservation purposes.	37,739	42,425	49,400	51,000
● State acres identified and/or researched for transfer under State/Federal land conservation and federal land management actions.	144,322	158,541	100,000	100,000
● Federal acres identified and/or researched for State acquisition under State/Federal Land conservation and land management actions.	29,000	27,850	10,000	10,000

◆ Goal 12 - To improve the availability of information and increase analytical capabilities of the agency.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of staff accessibility to computerized business systems.	100	100	100	100
● Percentage of staff accessibility of PALMS (based on 100 potential users).	95	71	68	95
● Combined parcels (surface, minerals, special permits, etc.) accessible through PALMS.	23,227	62,917	62,917	70,000

◆ Goal 13 - To improve internal and external communication.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 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.)	3.5	3.2	3.6	3.7
● 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.)	85	89	90	90
● Average percentage of employees attending "All Employee" meetings.	73	75.9	75	75
● Number of internal agency newsletters and articles published annually.	37	38	40	40

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of agency-wide electronic notices distributed.	586	477	500	500

◆ Goal 14 - To respond within established time frames, to all applications and request for land use and title research from public and staff.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Acres researched involving title transactions, special projects, lease, or contract development. (in thousands of acres)	5,500.0	4,400.0	5,000.0	5,000.0
● Number of applications received requiring current land use or ownership research.	N/R	1,661	1,600	1,600

LDA.2 PROGRAM SUMMARY  
OUTSIDE ASSISTANCE AND GRANTS

Contact: Mark Winkleman, State Land Commissioner  
Phone: (602) 542-4621  
A.R.S. Title 37

**Program Mission:**

*To provide administrative direction, coordination, assistance and services to program areas legislatively assigned to the State Land Department.*

**Program 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
- ▶ Environmental Plate Advisory Council
- ▶ Eastern Counties Environment Grants

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	283.0	467.1	467.1
Other Appropriated Funds	629.8	490.0	250.0
Other Non-Appropriated Fund	123.5	121.0	58.6
Federal Funds	7.2	12.0	12.0
Program Total	1,043.5	1,090.1	787.7
FTE Positions	5.0	5.0	5.0

LDA.2.1 SUBPROGRAM SUMMARY  
**ARIZONA CENTER FOR GEOGRAPHIC INFORMATION, COORDINATION AND SERVICES**  
 Contact: Mark Winkleman, State Land Commissioner  
 Phone: (602) 542-4621  
 A.R.S. § 37-171 to 37-176

**Subprogram 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.*

**Subprogram 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 Amounts:**

(\$ Thousands)

Performance Measures	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	283.0	342.1	342.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	123.5	121.0	58.6
Federal Funds	7.2	12.0	12.0
<b>Subprogram Total</b>	<b>413.7</b>	<b>475.1</b>	<b>412.7</b>
FTE Positions	5.0	5.0	5.0

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Datasets transferred.	1,628	1,310	1,500	1,600
• Geospatial datasets under development or revision.	8	8	9	9
• Datasets accessible through AGIC, ALRIS or SCO websites.	51	43	45	47

Arizona Geographic Information Council (AGIC), Arizona Land Resources Information System (ALRIS), State Cartographer's Office (SCO).

- ◆ Goal 2 - To create and implement cost-effective and results-effective GIS training and information programs for Arizona public agencies.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Government employees trained.	65	165	120	120
• Percent of students rating training as satisfactory.	95	94	90	90

- ◆ 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
• Users accessing AGIC, ALRIS or SCO websites for information or data.	23,127	32,763	40,000	55,000
Arizona Geographic Information Council (AGIC), Arizona Land Resources Information System (ALRIS), State Cartographer's Office (SCO).				
• Participation in coordination activities with organizations which improve access and utilization of geographic datasets.	33	55	60	65

LDA.2.2 SUBPROGRAM SUMMARY  
**NATURAL RESOURCE CONSERVATION DISTRICTS**

Contact: Mark Winkleman, State Land Commissioner  
 Phone: (602) 542-4621  
 A.R.S. § 37-1001 to 37-1057

**Subprogram 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.*

**Subprogram Description:**

Arizona's 32 Natural Resource Conservation Districts (NRCDS) are legal subdivisions of state government organized under state law and administered by the State Land Department. As subdivisions of state government, NRCDS 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. NRCDS are district cooperators for water, soil, and other natural resource conservation measures. The NRCDS are governed by a local Board of Supervisors: three elected, and two appointed by the Natural Resource Conservation Commissioner (State Land Commissioner). The NRCDS are the primary sponsors of the Conservation/ Environmental Educational Centers.

**Funding and FTE Amounts:**

(\$ Thousands)

Performance Measures	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	490.0	490.0	250.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>490.0</b>	<b>490.0</b>	<b>250.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To strengthen the network of 32 NRCDS 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● District meetings attended.	26	26	30	30
● Interagency meetings attended.	36	40	40	40
● Percent of NRCDs rating Department assistance as satisfactory.	90	90	90	90

Natural Resource Conservation Districts (NRCDs)

LDA.2.3 SUBPROGRAM SUMMARY  
**ENVIRONMENTAL PLATE ADVISORY COUNCIL**

Contact: Mark Winkleman, State Land Commissioner  
Phone: (602) 542-4621  
A.R.S. § 37-1015

**Subprogram Mission:**

*To provide environmental education and to disburse Environmental Special Plate Fund monies for environmental education as prescribed by statute.*

**Subprogram Description:**

An Environmental Special Plate Fund is established in the State Treasury by A.R.S. § 37-1015.A.

Performance Measures	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	139.8	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>139.8</b>	<b>0.0</b>	<b>0.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide administrative support to the environmental special plate fund the NRCD education centers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Grant applications processed.	630	0	0	15
● Grant contracts administered.	590	235	0	15
● Grant program public outreach (newsletters, press releases, etc.)	75	0	0	3

LDA.2.4 SUBPROGRAM SUMMARY  
**EASTERN COUNTIES ENVIRONMENT GRANTS**

Contact: Mark Winkleman, State Land Commissioner  
Phone: (602) 542-4621  
Senate Bill 1222, Forty-fourth Legislature

**Subprogram Mission:**

*To approve and distribute funds for implementation and planning of environmental programs.*

**Subprogram Description:**

The Department is instructed to distribute the funds equally to Greenlee, Graham, Gila, Navajo, and Apache Counties for planning and implementation of specific environmental programs impacting economic development in these counties. The counties prepare and submit proposed plans to the Land Department for approval.

Performance Measures	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	125.0	125.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>0.0</b>	<b>125.0</b>	<b>125.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To educate citizens, organizations, and decision makers through information distribution, demonstrations, and multi-media presentations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of school educational involvement projects.	12	22	25	30
● Number of video tapes for classrooms and TV news releases.	7	5	5	7
● Number of popular style brochures and news clips to inform the public.	10	15	20	20

- ◆ Goal 2 - To conduct scientific inquiry into the environmental, economic, social, and community aspects of land management and multiple use practices.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of school educational involvement projects.	12	22	25	30
● Number of catastrophic wildfire risk assessments.	1	5	50	60
● Number of published scientific reports.	1	1	2	3
● Number of web sites developed or upgraded.	1	1	2	2



<b>AGENCY SUMMARY</b>	
<b>DEPARTMENT OF MINES AND MINERAL RESOURCES</b>	
Willis D. (Doug) Sawyer, Director	MNA
Contact: Ann Turney, Admn. Assistant	(602) 255-3791
A.R.S. § 27-101 to 102	

**Agency Mission:**

To promote the development of the mineral resources of the State through technical outreach and education. The purpose of this promotion is to encourage economic development in the mining and minerals development industry. Our customers are the minerals industry, operators of small mines, prospectors, educators, the general public, elected officials, and other state, local, and federal agencies.

**Agency Description:**

The Arizona Department of Mines and Minerals (ADMMR) has three primary functions. The first function is to provide technical assistance to miners, exploration geologists, prospectors, and others who are developing our state's mineral resources. This technical assistance consists of economic studies of problems facing small miners and investigation of their properties to assist in their development. The second function is to maintain an information bank and library of mineral and mining information. The information consists of books, studies, maps, films and videotapes, individual mine files, and other archival documents. The third function is to manage the mineral museum as the state's depository for collecting, cataloging, and displaying mineral specimens, various ores, gemstones, and lapidary material. ADMMR is a non-regulatory agency that has provided outstanding customer service to its patrons. Its goal is to provide prompt, courteous, and accurate service to its customers so that they may develop the state's mineral resources, create wealth, and provide employment to Arizona's citizens.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	639.0	648.3	648.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	139.7	143.1	143.1
Federal Funds	0.0	0.0	0.0
<b>Agency Operating Funds Total</b>	<b>778.7</b>	<b>791.4</b>	<b>791.4</b>
FTE Positions	8.9	8.0	8.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Lack of resources*

The Department has irreplaceable information that is contained in numerous texts, original reports, maps, periodicals, and mine files. Currently the information is stored in "hard copy" and is only available to customers visiting our offices. The Department has had several large donations of Arizona mine files that need to be integrated into our 10-year old database of mining information. Our strategic planning session identified these informational materials as critical to future mining ventures in our state. The recommendation of the stakeholders involved with the strategic planning was to improve the database and make it more accessible to customers via the internet and e-mail.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To increase the number and satisfaction of our customers using the Department's resources

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Customer satisfaction rating achieved for services provided.	4.7	4.9	4.8	4.8
● Number of special events conducted in Museum during year.	6	4	4	4
● Number of mining and mineral topics presented outside the Museum.	42	35	24	24
● Number of people receiving information on mines and mineral resources (in thousands).	22.3	21.7	15.8	15.8
● Number of people using Department's web site (in thousands).	31.3	53.1	45.0	45.0
● Number of students provided with programs in the Museum (in thousands).	18.9	20.8	20.9	20.9
● Number of Museum visitors excluding students (in thousands).	17.6	21.1	20.5	20.5
● Number of volunteer hours donated (in thousands).	11.8	11.3	10.0	10.0
◆ Goal 2 - To acquire, improve, process and disseminate mining and mineral information				

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of new exhibits created for display outside the Museum.	12	9	4	4
● Number of cases or exhibits created during year.	8	14	5	5
● Number of new files acquired during year.	3.7	8.0	1.1	1.1
● Number of files to be organized and updated.	9.1	6.2	5.9	5.5
● Customer satisfaction rating of four or greater (on a one to five scale).	4.7	4.9	4.8	4.8
● Percentage incorporated into existing Department files.	4	1	25	25
● Percentage of files organized and updated during year.	45	25	25	25



**AGENCY SUMMARY**  
**NAVIGABLE STREAM ADJUDICATION COMMISSION**

George Mehnert, Director NSA  
 Contact: George Mehnert, Director (602) 542-9214  
 A.R.S. § 37-1101 to 37-1156

**Agency Mission:**

To determine which of Arizona's 39,039 rivers and streams were navigable at the time of statehood, February 14, 1912, and which were not; and to determine the public trust values of those waters that were navigable. ANSAC's mission is scheduled to be completed by June 30, 2006.

**Agency Description:**

The Navigable Stream Adjudication Commission is a five-member commission appointed by the Governor and confirmed by the Senate. Title to the beds of rivers and streams that were navigable as of statehood are subject to state ownership, and title to the beds of rivers and streams that were not navigable as of statehood are subject to private ownership. Arizona did not claim or disclaim ownership 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. 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.

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	155.5	157.0	157.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0
Agency Operating Funds Total	155.5	157.0	157.0
FTE Positions	2.0	2.0	2.0

**Strategic Issues**

**Strategic Issue Number: 1**

*Completing Work by Sunset Date*

The single greatest Commission issue is the need for adequate funding to complete its work. It is very unlikely that ANSAC will be able to complete its work by the current sunset date of June 30, 2006 without an increase in funding for FY 2004 and FY 2005. The amount of the increase ANSAC will need is estimated at approximately \$75,000 for each remaining fiscal year. This does not include possible litigation, but does include estimates of costs of Public Trust Value hearings. A Court of Appeals decision was received on February 13, 2001 causing legislation to be adopted which resulted in the Commission conducting new hearings using different standards to determine navigability than had been used prior to the court decision. To complete the Commission's work by the then sunset date of June 30, 2004, the Commission submitted supplemental budget requests for FY 2002 and FY 2003. Neither of these supplemental budget requests were acted on, but the Commission's sunset date was changed from June 30, 2004 to the current sunset date of June 30, 2006, hoping for more plentiful revenue years following FY 2003. Since the Commission's work is temporary and since the Commission is scheduled to sunset on June 30, 2006, the Commission respectfully requests that all funding be non-lapsing.

**Strategic Issue Number: 2**

*Changes in statutes include appeals and affect the number and length of public trust values hearings.*

The statutes changed in 2001 to allow for judicial review or appeals of Commission determinations to the Superior Court. Such appeals will require the involvement of the Commission's attorney who is hired under an outside professional services contract. There is also the unknown factor of length and number of public trust values hearings necessary for all watercourses or portions of watercourses determined to be navigable. These two factors may require more funds including but not limited to attorney fees, legal advertising, Commissioner per diem and in-state travel expenses.

**Strategic Issue Number: 3**

*Adequate funding other agency*

For the Commission to hold hearings it must have evidence, ordinarily both physical and testimony. Most of this evidence of navigability and of public trust values is provided to the Commission by the State Land Department pursuant to A.R.S. § 37-1123(D). Therefore, the State Land Department needs sufficient funding to carry out its work on behalf of the Commission.

**Strategic Issue Number: 4**

*Hearings Timetable*

The Commission finds it necessary to adjust its watercourse hearings timetable in order to complete its work by the sunset date of June 30, 2006. This change in timetable requires more hearings in a shorter period of time than contemplated in previous timetables and budget periods, therefore requiring greater advertising and travel expenses, and attorney fees.

**Agency Goals and Performance Measures:**

- ◆ Goal 1 - To adjudicate all of Arizona's 39,039 named and unnamed watercourses, and to determine public trust values of those watercourses that are navigable, by the sunset date of June 30, 2006.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of Arizona rivers and streams adjudicated.	0	10,483	12,551	11,734
● Number of hearings under 2001/current statutes.	N/A	8	19	20
● Cost per hearing to study watercourses (in thousands of dollars).	15.0	8.6	8.6	8.6
	<i>Prior to FY2003 numbers based on cost per county basis.</i>			
● Customer satisfaction rating for hearing attendees (Scale 1-8).	N/A	N/A	7.0	7.5
● Number of final reports approved by commission.	N/A	N/A	26	20
● Administration as a percent of total cost.	7.9	9.5	15.8	15.8



**AGENCY SUMMARY  
STATE PARKS BOARD**

Ken Travous, Executive Director PRA  
 Contact: Mark Siegarth, Assistant Director, (602) 542-6920  
 Administrative Services  
 A.R.S. § 41-511. seq.

**Agency 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.

**Agency Description:**

Under the direction of the Arizona State Parks Board, the agency develops and manages 30 State parks and natural areas and provides safe and enjoyable facilities and programs for over two million visitors annually. The Board also, upon recommendation of several advisory committees, provides approximately \$31 million in financial incentives annually to government and nongovernment entities through eight different grant programs. Through the State Historic Preservation Office, the Agency preserves Arizona's prehistoric and historic resources. The Agency also coordinates two Recreational Trails programs, one for motorized and one for nonmotorized trail activities. And finally, the Agency coordinates statewide resource planning, public involvement and educational opportunities through partnerships for public purposes.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ PARK DEVELOPMENT AND OPERATION	24,082.5	23,454.3	23,454.3
➤ PARTNERSHIPS AND GRANTS	39,913.2	54,494.5	54,494.5
➤ ADMINISTRATION	3,826.8	3,765.1	3,765.1
Agency Total	67,822.5	81,713.9	81,713.9

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	20,037.5	22,310.5	22,310.5
Other Appropriated Funds	11,571.0	12,209.3	12,209.3
Other Non-Appropriated Fund	34,424.0	42,747.7	42,747.7
Federal Funds	1,790.0	4,446.4	4,446.4
Agency Operating Funds Total	67,822.5	81,713.9	81,713.9
FTE Positions	340.0	345.8	345.8

**Strategic Issues**

**Strategic Issue Number: 1**

*Increasing Public Awareness of Arizona State Parks and Partnership Programs.*

Arizona State Parks is not just responsible for managing a system of thirty State Parks, but also for enhancing a statewide system of parks and cultural and recreational opportunities. The Partnerships Division is the component of the agency that oversees numerous programs of a statewide nature, such as historic preservation, grants and recreational trails, that go beyond our proper parks. Many people are not aware that Arizona State Parks is responsible for the statewide planning and coordination for these elements, nor are they aware of the technical assistance, educational efforts, partnerships, grants and other incentives provided by State Parks

for historic preservation, motorized and non-motorized trail recreation, boating lakes, open space and parks and recreation areas. To increase people's awareness of these services and how to make use of them, the Partnerships Division is expanding its efforts to make these programs known through workshops, printed materials, local events and other avenues.

**Strategic Issue Number: 2**

*Continued Viability of the Enhancement Fund*

During the late 1980s, the State Park system was expanding; however, little State General Fund monies were available to open new parks and provide for capital improvements. The Enhancement Fund was created which allowed State Parks to deposit income earned from park fees into a non-general fund. This fundamental change in funding parks became the catalyst for change in revenue generating activities within the park system. Arizona State Parks is now faced with meeting revenue targets for the operational half of the Enhancement Fund and securing legislation and public support for using the capital development half of the Enhancement Fund to meet the \$141 million capital needs backlog in the parks. Arizona State Parks must align the organization with supporters of the Parks system to ensure the continued viability and success of the fund. The primary goal is to make the fund non-appropriated which places the decision between capital and operating needs in the hands of the Board. In FY 2004, the Legislature essentially appropriated the entire fund for operations to offset General Fund cuts in order to cope with the General Fund shortfall.

**Strategic Issue Number: 3**

*Internalization of External Requirements*

The agency is tasked with numerous external responsibilities to comply with directives from the Governor, the Department of Administration, Government Information Technology Assessment and the Governor's Office of Strategic Planning and Budgeting. These include the implementation of the new Human Resources Information System (HRIS), Strategic Planning, Budget Requests, Information System Planning and Cost Saving Efficiency Reviews to name a few. The strategic issue is how to best internalize these requirements to meet the needs of the agency. HRIS is allowing ASP to combine the necessary hardware upgrades to also resolve communication, credit card and reservation system issues in the field. The Efficiency Review targets many of the areas already being examined by the Project 11 task force. The integration of these internal and external requirements are critical to reduce duplication of efforts within the agency.

**Strategic Issue Number: 4**

*Coping with Temporary Structures*

The agency has had four different budget/accounting structures in FY 2003. These structures are changing again in FY 2004. FY 2004 will also see a change to our payroll and Human Resource structure. Finally, several appropriated funding sources in FY 2004 are viewed as temporary and will be replaced in FY 2005. Managing and setting up systems to monitor the performance of these structures will be a challenge. An opportunity exists to create more stable and efficient structures with which to manage the organization.

**Strategic Issue Number: 5**

*Ensuring Programs with Reduced Funding Still Address Priority Issues*

Because of the State's budget crisis, not only have State Parks' operating funds been swept by the Legislature, but many of State Parks' special funds have also been swept or transferred to offset the General Fund deficit. Funds that would normally go towards capital improvement projects and grants to other entities are now being allocated to operational budgets. This reduced funding has resulted in shifting staff around to reflect changing workloads, modifying how programs are implemented to reflect the lower levels of funding and educating the public how each program has changed.

**Strategic Issue Number: 6**



*Improving Customer Service and Maximizing Electronic Technology Capabilities*

A high priority of the agency is the continued improvement of customer service. The issue includes customer identification, customer awareness of and satisfaction with programs and services, communication methods, and staff responsiveness in answering informational requests, processing grant applications and responding to archaeological compliance reports. Staff is continually exploring avenues to streamline the agency's internal processes and requirements, and especially to expand electronic communication opportunities. A priority of the partnership Division is to increase the electronic availability of plans, grant manuals, application forms, surveys and other requested materials. The Partnership Division conducts evaluations of its workshops and publications asking for the customer comments and level of satisfaction with Partnership Division programs, staff, materials and services.

**Strategic Issue Number: 7**

*Conserving and Enhancing Arizona's Heritage*

The loss of historic and prehistoric places threatens to disconnect current and future generations from their past. This is an especially difficult problem for Arizona, which has experienced tremendous population growth characterized by both a large number of newcomers and a high percentage of out-migration. This continuous population change means that there is a continuous need to educate the public, agencies of government, and other partners concerning the value of Arizona's heritage places. The Partnerships Division provides technical assistance, public outreach, grant assistance, and other programs to encourage the preservation of places of historic value and their use to meet current and future needs.

PRA.1                      PROGRAM SUMMARY  
**PARK DEVELOPMENT AND OPERATION**

Contact: Jay Ream, Assistant Director  
 Phone: (602) 542-7103  
 A.R.S. § 41-511 et. seq.

**Program Mission:**

*To acquire, develop, manage and conserve Arizona State Parks' natural, cultural, educational and recreational opportunities.*

**Program Description:**

The Operations, Development, and Resources Management Section are 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. The Operations Section hosts well over two million visitors annually at the 30 State Parks and natural areas and manages park programs, activities, maintenance, visitor services and visitor safety. The Development Section is responsible the construction of park amenities and the development of Parks' properties along with administering the capital improvement program. The Resources Management Section is responsible for the acquisition of Park properties and natural areas. Responsibilities also include master planning, real estate management, historical preservation, protection of historical and cultural sites, environmental and science issues confronting Park resources, as well as developing comprehensive long-range plans that deal with statewide recreational and cultural issues.

**Funding and FTE Amounts:**                      (\$ Thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Estimate

General Funds	0.0	463.7	463.7
Other Appropriated Funds	9,910.7	10,159.7	10,159.7
Other Non-Appropriated Fund	13,686.1	12,330.9	12,330.9
Federal Funds	485.7	500.0	500.0
<b>Program Total</b>	<b>24,082.5</b>	<b>23,454.3</b>	<b>23,454.3</b>
<b>FTE Positions</b>	<b>256.0</b>	<b>269.3</b>	<b>269.3</b>

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To consistently provide a safe, accessible, and enjoyable system of State Parks and natural areas for public use.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Average cost per state park visitor (in dollars).	0.67	0.67	0.08	0.00
● Annual park attendance (in thousands).	2,515.6	2,201.0	2,600.0	2,600.0
● Percent of Arizona residents that are satisfied.	N/A	N/A	N/A	N/A
● Ranger-led interpretive program participants (in thousands).	264	288	260	260

- ◆ Goal 2 - To establish career ladders and compensation for increased responsibilities to help with employee retention.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of park rangers trained - CPR.	83	66	90	90
● Percent of park rangers trained - First Responder/First Aid.	52	48	75	75
● Percent of park rangers trained - Law Enforcement Certified.	26	46	40	40
● Percent of park rangers trained - Fire Fighting.	11	20	22	22
● Percent of park rangers trained - EMT.	.04	4	15	15

PRA.2                      PROGRAM SUMMARY  
**PARTNERSHIPS AND GRANTS**

Contact: Jay Ziemann, Assistant Director  
 Phone: (602) 542-7104  
 A.R.S. § 41-511 et. seq.

**Program Mission:**

*To enhance, preserve and conserve Arizona's significant natural, cultural, and recreational resources for the public benefit.*

**Program Description:**

Arizona State Parks is not just responsible for managing a system of thirty State Parks, but also for enhancing a statewide system of parks and cultural and recreational opportunities. The Partnerships Division is the component of the Agency that oversees numerous programs of a statewide nature, such as historic preservation, grants and research and marketing, that goes beyond our own system of parks, relying on strong partnerships with other entities to accomplish State Parks' goals.

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 Grants Section is responsible for managing the grant programs administered by the Arizona State Parks Board. More than \$32 million is available annually to Arizona's communities, resource managers and agencies to preserve and enhance Arizona's significant natural, open space, cultural and recreational resources. Programs include grant funds for Local and Regional Parks, Land and Water Conservation, Lake Improvements, Boating Law Enforcement and Safety, Trails, Off-Highway Vehicles, Historic Preservation and Open Space conservation. The External Affairs section develops and pursues legislation, provides policy analysis and research to support all programs, and coordinates marketing and public information for the Agency.

The Partnerships Division is served by seven standing advisory committees who work with staff and advise the Parks Board on a number of matters. Members to the Arizona Outdoor Recreation Coordinating Commission (AORCC), Conservation Acquisition Board, and Archaeology Advisory Commission are appointed by the Governor; the Arizona State Committee on Trails, Off-Highway Vehicle Advisory Group, and Historic Preservation Advisory Committee by the Arizona State Parks Board; and the Historic Sites Review Committee by the State Historic Preservation Officer. Staff coordinate with these advisory committees and other partners to plan, inventory, enhance, preserve, manage and interpret Arizona's significant natural, cultural and recreational resources for the education and enjoyment of the public.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	20,000.0	20,423.0	20,423.0
Other Appropriated Funds	1,645.5	1,792.7	1,792.7
Other Non-Appropriated Fund	16,969.9	28,477.2	28,477.2
Federal Funds	1,297.8	3,801.6	3,801.6
<b>Program Total</b>	<b>39,913.2</b>	<b>54,494.5</b>	<b>54,494.5</b>
FTE Positions	33.5	38.5	38.5

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To effectively provide the appropriate services, information and grants for land and water-based recreation and open space opportunities by involving our customers and partners in our programs, parks and planning efforts.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of new acres of open space and parkland dedicated in Arizona.	7,000	N/A	7,000	7,000
● Percent of satisfactory compliance findings of grant audits.	92	85	85	85
● Percent of Trails grant projects funded as high priority.	29	83	50	50
● Percent of OHV grant projects funded as high priority.	50	100	50	50
● Percent of LRSP grant projects funded as high priority.	100	76	75	75

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of SLIF grant projects funded as high priority.	50	N/A	50	50
● Percent of Historic Preservation grant projects funded as high priority.	44	70	70	70

- ◆ Goal 2 - To foster and streamline the identification and preservation of Arizona's significant cultural resources by offering technical assistance, educational opportunities, written guidance, financial assistance and other incentives to our preservation partners.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of pass-through funds obligated to CLGs.	100	97	80	85

- ◆ Goal 3 - To effectively evaluate our target markets and provide the appropriate services and information by involving our customers and partners in our programs, parks and planning efforts.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of Park visitors that are satisfied.	N/A	N/A	N/A	N/A

**PRA.3 PROGRAM SUMMARY ADMINISTRATION**

Contact: Mark Siegwarth, Assistant Director  
 Phone: (602) 542-6920  
 A.R.S. § 41-511 et. seq.

**Program Mission:**

*To provide leadership, advice and guidance in managing the business, financial, technological and human resources of the agency.*

**Program Description:**

Administration is accomplished through the Director's Office and the Administrative Services Division. The Director's Office manages the three programs of the agency, oversees implementation of the Strategic Plan and monitors progress toward meeting the Agency's goals. The Administrative Services Division provides support to all the activities, responsibilities and programs and assures that the Agency has the necessary authority, financial resources, human resources, management information and technical capability to accomplish their mission.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	37.5	1,423.8	1,423.8
Other Appropriated Funds	14.8	256.9	256.9
Other Non-Appropriated Fund	3,768.0	1,939.6	1,939.6
Federal Funds	6.5	144.8	144.8
<b>Program Total</b>	<b>3,826.8</b>	<b>3,765.1</b>	<b>3,765.1</b>
FTE Positions	50.5	38.0	38.0

**Program Goals and Performance Measures:**

- ◆ Goal 1 - To improve internal processes to meet the public's and

agency's expectations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percentage of employee turnover.	11.54	19.61	14	13

◆ Goal 2 - To maximize agency resources and enhance information sharing.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Administration as a percentage of total cost.	4.7	4.7	4.8	4.8



**AGENCY SUMMARY  
DEPARTMENT OF WATER RESOURCES**

Herb R. Guenther, Director WCA  
 Contact: Ronald R. Gray, Chief Financial Officer (602) 417-2450  
 A.R.S. § 45-101 et seq.

**Agency 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.

**Agency 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, flood management, implementing surface water laws, surveying water resources statewide, and assessing water quality in conjunction with the Department of Environmental Quality.

**Agency Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
➤ AGENCY SUPPORT	6,130.3	6,509.0	6,509.0
➤ WATER RESOURCES AND STATEWIDE PLANNING	41,321.5	35,647.7	33,431.9
➤ DAM SAFETY AND FLOOD WARNING	1,177.2	950.6	951.8
Agency Total	48,629.0	43,107.3	40,892.7

**Funding and FTE Summary:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	13,592.2	13,875.3	13,875.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	34,524.8	28,660.4	26,836.7
Federal Funds	512.0	571.6	180.7
Agency Operating Funds Total	48,629.0	43,107.3	40,892.7
FTE Positions	204.2	207.6	173.9

**Strategic Issues**

**Strategic Issue Number: 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.

**Strategic Issue Number: 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 PROGRAM SUMMARY  
AGENCY SUPPORT**

Contact: Herb R. Guenther, Director  
 Phone: (602) 417-2410  
 A.R.S. § 45-103, 45-105

**Program Mission:**

*To provide the Agency with efficient and cost effective centralized services to assist the Agency in meeting its goals.*

**Program 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.

The Agency had an interagency service agreement (ISA) with the Arizona Department of Administration for part of FYs 2002 and 2003 to provide space and administrative support for Arizona Government University (AzGU). AzGU's mission statement is "To create a workforce development program that delivers critical competencies and skill sets to enable employees to develop professionally and deliver cost efficient, customer focused, state government services." AzGU's funding is included in the Agency's budget to the extent of their ISA's with other state agencies shown in the "Other Non Appropriated Funds" section. FYs 2002 and 2003 actual expenditures were \$282.2 thousand and \$387.3 thousand, respectively. FTE positions for FYs 2002 and 2003 were 3.0 and 2.6, respectively.

**This Program Contains the following Subprograms:**

- ▶ Management Information Services
- ▶ Management Services

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,560.7	5,442.1	5,442.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	1,569.6	1,066.9	1,066.9
Federal Funds	0.0	0.0	0.0
Program Total	6,130.3	6,509.0	6,509.0
FTE Positions	35.3	34.0	34.0

**WCA.1.1 SUBPROGRAM SUMMARY  
MANAGEMENT INFORMATION SERVICES**

Contact: Randy Wiley, Assistant Director  
 Phone: (602) 417-2452  
 A.R.S. § 45-104

**Subprogram Mission:**

To furnish technical assistance, technology and programming services which will provide customers with information to make decisions and manage programs.

**Subprogram Description:**

This subprogram provides system operations, technical support and help desk support for all agency information systems including servers, work stations, local-area network and wide-area networking.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	964.6	783.7	783.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	60.9	63.5	63.5
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>1,025.5</b>	<b>847.2</b>	<b>847.2</b>
FTE Positions	11.9	12.0	12.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of time servers are available during normal business hours.	99	99	99	99
● Average number of minutes per month that customers cannot access data because the system is not functioning properly.	60	60	60	60
● Computer systems developed/maintained.	96	96	96	96

- ◆ Goal 2 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of users satisfied with Relational Database Management System client-server applications.	100	100	100	100

WCA.1.2      **SUBPROGRAM SUMMARY  
MANAGEMENT SERVICES**

Contact: Ronald R. Gray, Assistant Director  
Phone: (602) 417-2410  
A.R.S. § 45-104

**Subprogram Mission:**

To provide the Agency with efficient and cost effective management services in accordance with federal and state standards through centralized personnel, financial and ancillary management programs.

**Subprogram Description:**

This subprogram includes executive management, finance, personnel, loss control and agency overhead expenses such as rent, utilities and sub motor pool. This area also includes Arizona Government University.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	3,596.1	4,658.4	4,658.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,508.7	1,003.4	1,003.4
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>5,104.8</b>	<b>5,661.8</b>	<b>5,661.8</b>
FTE Positions	23.4	22.0	22.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To provide employees with direction in recruitment, training, grievance avoidance, grievance corrective action and employee relations counseling.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of employees indicating satisfaction with the services provided.	98	98	98	98

- ◆ Goal 2 - To provide all Agency managers and supervisors with human resources support in the areas of personnel recruiting, training and employee relations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of managers and supervisors indicating satisfaction with the services provided.	98	98	98	98

- ◆ Goal 3 - To provide the Agency with timely financial reports that comply with State and federal regulations.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of financial reports distributed to users within seven days after month-end cut-off.	88	88	88	88

- ◆ Goal 4 - To assure that vendors and employees receive proper payments in a timely manner.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of vendors indicating satisfaction with the accuracy and timeliness of payments processed.	95	94	96	96

- ◆ Goal 5 - To provide timely, accurate and courteous ancillary management services to all customers.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of employees compliant with OSHA training and State loss control guideline requirements.	100	100	100	100
● Percent of agency staff indicating satisfaction with the availability and condition of motor pool equipment.	100	100	100	100
● Percent of customers indicating satisfaction with the accuracy, timeliness and courtesy of mail distribution.	96	97	97	97

WCA.2.1 SUBPROGRAM SUMMARY  
**GROUNDWATER MANAGEMENT**

Contact: Jim Holway, Assistant Director  
Phone: (602) 417-2440  
A.R.S. § 45-104, 45-401 et. seq.

**Subprogram 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.*

**Subprogram 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	4,567.4	4,195.0	4,195.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	9,839.4	4,057.2	3,107.4
Federal Funds	29.3	0.0	0.0
Subprogram Total	14,436.1	8,252.2	7,302.4
FTE Positions	80.9	87.5	69.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Per capita water use in the AMAs (in acre feet).	2.75	2.74	2.74	2.74
● Percent of water stored to groundwater pumped within the AMA's.	20	25	25	25
● Cumulative annual capacity of recharge projects permitted (in thousands).	1,580.0	1,650.0	1,700.0	1,700.0
● Percent of surface water to total water used in CAP service area.	75	75	75	75

- ◆ Goal 2 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of annual withdrawal reports voluntarily returned.	96	96	96	96

WCA.2 PROGRAM SUMMARY  
**WATER RESOURCES AND STATEWIDE PLANNING**

Contact: Herb R. Guenther, Director  
Phone: (602) 417-2410  
A.R.S. Title 45

**Program 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.*

**Program 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
- ▶ Water Banking Authority
- ▶ Water Protection Fund

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	8,180.2	7,722.1	7,722.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	32,719.2	27,533.5	25,709.8
Federal Funds	422.1	392.1	0.0
Program Total	41,321.5	35,647.7	33,431.9
FTE Positions	160.1	164.6	130.9

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Requests for new production wells (Notices of Intent) granted.	7,100	7,100	7,100	7,100

**WCA.2.2 SUBPROGRAM SUMMARY**  
**SURFACE WATER ADMINISTRATION AND ADJUDICATION**

Contact: Darrell Jordan, Manager  
 Phone: (602) 417-2445  
 A.R.S. § 45-104, 45-151 et. seq.

**Subprogram 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.*

**Subprogram 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. Due to budgetary restraints this subprogram was eliminated for FY 2003 and subsequent years. Statutorially mandated activities were transferred to other subprograms.

Funding and FTE Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	133.7	135.0	135.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>133.7</b>	<b>135.0</b>	<b>135.0</b>
FTE Positions	0.0	0.0	0.0

**Subprogram Goals and Performance Measures:**

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Applications processed to appropriate surface water.	18	0	0	0
● Percent of public and intra-agency information requests met within Agency time frames.	100	0	0	0
● Reduction of protested surface water permit applications.	2	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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of adjudication court assigned studies completed by established deadlines.	100	0	0	0

**WCA.2.3 SUBPROGRAM SUMMARY**  
**COLORADO RIVER MANAGEMENT**

Contact: Tom Carr, Manager  
 Phone: (602) 417-2442  
 A.R.S. § 45-104, 45-105(A)(2), 45-107

**Subprogram 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.*

**Subprogram 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 Amounts:	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	418.3	308.2	308.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	166.3	0.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>418.3</b>	<b>474.5</b>	<b>308.2</b>
FTE Positions	5.8	6.0	2.9

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of recommendations for water allocations presented to and accepted by the DOI.	100	100	100	100
● Percent of recommendations for provisions for contracting presented to and accepted by the DOI.	87	90	90	90

- ◆ Goal 2 - 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 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	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	95
● Percent of Arizona's annual entitlement to Colorado River water beneficially used.	100	100	100	100

WCA.2.4 SUBPROGRAM SUMMARY  
STATEWIDE PLANNING

Contact: Herb R. Guenther, Director  
Phone: (602) 417-2440  
A.R.S. § 45-104, 45-105

**Subprogram Mission:**

*To propose water management strategies to preserve and enhance water supplies of the State in an environmentally and economically sound manner on behalf of, and in partnership with, the citizens of Arizona.*

**Subprogram Description:**

This subprogram includes data collection and analysis to describe water supply and demand conditions throughout Arizona. Planning investigations performed in this subprogram lead to actions to develop, protect and preserve the water supplies for the State.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	675.8	956.1	956.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	0.0	32.6	0.0
Federal Funds	0.0	0.0	0.0
Subprogram Total	675.8	988.7	956.1
FTE Positions	7.4	7.2	6.7

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To assess and report information on statewide water resource demands and supplies.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	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.	26	20	18	18

- ◆ Goal 2 - To develop strategies that address water resource issues statewide.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Technical assistance projects provided to areas outside AMAs that request support in quantifying and improving management of the area's water resources.	12	14	12	12

- ◆ Goal 3 - To manage contaminated water at groundwater contamination sites in Arizona.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Permit applications reviewed.	1,000	1,000	1,000	1,000
● Draft and final well inspection rule packages submitted.	0	0	0	0

WCA.2.5 SUBPROGRAM SUMMARY  
HYDROLOGY

Contact: Herb R. Guenther, Director  
Phone: (602) 417-2410  
A.R.S. § 45-104, 45-105

**Subprogram 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.*

**Subprogram 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 Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	2,518.7	2,262.8	2,262.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	1,870.8	1,322.3	647.3
Federal Funds	392.8	392.1	0.0
Subprogram Total	4,782.3	3,977.2	2,910.1
FTE Positions	55.5	53.8	41.3

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To ensure that the Agency and the general public have access to the most accurate and current water resources information available.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● Hydrologic Map Series data and modeling reports generated with accurate and timely dissemination.	8	8	8	8



- ◆ Goal 2 - To conduct special investigations of critical groundwater areas to ensure that management decisions have a sound technical justification.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Permits reviewed and issued for assured and adequate water supply within statutory deadlines.	262	250	250	250

- ◆ 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 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of users satisfied with the use of map products.	100	100	100	100
● Percent of users satisfied with desktop GIS tools support.	100	100	100	100

WCA.2.6                      SUBPROGRAM SUMMARY  
**WATER BANKING AUTHORITY**

Contact: Tim Henley, Manager  
 Phone: (602) 417-2418  
 A.R.S. § 45-2426

**Subprogram Mission:**

*To use the Central Arizona Project to store otherwise unused Arizona entitlement to Colorado River water within the State to meet future water needs within the State, including protecting Arizona's municipal and industrial users against future Colorado River water shortages (firming existing supplies), meeting the water management goals of the State, helping facilitate the settlement of water rights claims by Indian communities against the State and providing opportunities for agencies within California and Nevada to store unused Colorado River water in Arizona to assist those states to meet their future water needs.*

**Subprogram Description:**

The Arizona Water Banking Authority (Authority) was established in 1996 with the passage of House Bill 2494. It is a five-member commission with two non-voting ex officio members appointed by the President of the Arizona Senate and the Speaker of the Arizona House of Representatives. The Director of the Department of Water Resources (DWR) is a member of the Authority and serves as its chairman. DWR and the Central Arizona Project provide technical support to the Authority. DWR also provides legal and administrative support. The Authority annually submits a report to the Governor, the President of the Senate and the Speaker of the House containing a full and complete accounting of its transactions for the preceding year. The Authority must also adopt a Plan of Operation each calendar year.

**Funding and FTE Amounts:**

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	18,065.9	21,140.1	21,140.1
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>18,065.9</b>	<b>21,140.1</b>	<b>21,140.1</b>
FTE Positions	4.5	4.0	4.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To recharge Arizona's unused Colorado River water entitlement as funding and facilities permit.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of unused entitlement recharged.	95	95	95	95

- ◆ Goal 2 - To effectively target and expend resources to earn credits that will enable the program to carry out the goals set forth in the Authority's enabling legislation.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of funds expended.	90	90	90	90

- ◆ Goal 3 - To support Authority members by providing accurate, timely information on credits earned and available, Water Bank activity, amounts of water recharged, available funds and other matters that affect operation of the Water Bank.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent of authority members expressing satisfaction with staff activity.	100	100	100	100

**WCA.2.7 SUBPROGRAM SUMMARY  
WATER PROTECTION FUND**

Contact: Rod Held, Manager  
Phone: (602) 417-2460  
A.R.S. § 45-2103

**Subprogram Mission:**

*To provide an annual source of money for the development and implementation of measures to maintain, enhance and restore rivers and streams and associated riparian resources.*

**Subprogram Description:**

The Water Protection Fund was designed to allow the people of Arizona to prosper while providing for financial resources for conservation and restoration of this state's rivers and streams and associated riparian habitats including fish and wildlife resources. This program is implemented through an annual grant process that awards funds to appropriate private and public entities for projects that are consistent with the program mission.

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	2,809.4	680.0	680.0
Federal Funds	0.0	0.0	0.0
<b>Subprogram Total</b>	<b>2,809.4</b>	<b>680.0</b>	<b>680.0</b>
FTE Positions	6.0	6.1	6.1

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To target and expend Water Protection Funds to protect and preserve the flow and quality of water in the streams of Arizona.

Performance Measures	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Actual	Estimate	Estimate
● New projects funded and contracts written.	0	0	25	25
● Grants that achieve the stated objectives of the Water Protection Fund Commission.	100	100	100	100
● Miles of stream benefited by capital improvements.	0	30	60	60
● Community-based plans developed.	0	2	4	4
● Research projects funded.	0	0	4	4
● Ongoing contracts monitored through site visits.	5	15	25	25
● Water Protection Fund grants available in a timely manner.	0	90	90	90

**WCA.3 PROGRAM SUMMARY  
DAM SAFETY AND FLOOD WARNING**

Contact: Darrell Jordan, Manager  
Phone: (602) 417-2445  
A.R.S. § 45-1401 et. seq., 45-1501 et. seq.

**Program Mission:**

*To promote the management of floodplains and dams to reduce loss of life and damage to property.*

**Program 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.

**This Program Contains the following Subprograms:**

- ▶ Dam Safety
- ▶ Flood Warning

	(\$ Thousands)		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	851.3	711.1	711.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non-Appropriated Fund	236.0	60.0	60.0
Federal Funds	89.9	179.5	180.7
<b>Program Total</b>	<b>1,177.2</b>	<b>950.6</b>	<b>951.8</b>
FTE Positions	8.8	9.0	9.0

**WCA.3.1 SUBPROGRAM SUMMARY  
DAM SAFETY**

Contact: Darrell Jordan, Manager  
Phone: (602) 417-2445  
A.R.S. § 45-104, 45-105 et. seq.

**Subprogram Mission:**

*To reduce the likelihood of catastrophic dam failure or uncontrolled release of water from dams within the Agency's jurisdiction.*

**Subprogram Description:**

This subprogram is responsible for inspection and review of non-federal jurisdictional dams in Arizona for compliance with safety standards through the review of applications for proposed new dams and monitoring of construction of new dams and repairs for existing facilities. The subprogram also inspects and evaluates operating dams to determine if safety deficiencies exist and develops the action plans to correct deficiencies.

WCA.3.2      SUBPROGRAM SUMMARY  
**FLOOD WARNING**

Contact: Darrell Jordan, Manager  
 Phone: (602) 417-2445  
 A.R.S. § 45-1501 et.seq.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	658.6	547.2	547.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	192.9	60.0	60.0
Federal Funds	42.5	33.6	34.7
<b>Subprogram Total</b>	<b>894.0</b>	<b>640.8</b>	<b>641.9</b>
FTE Positions	7.8	8.0	8.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To assure that dam design, construction, operation and maintenance are in compliance with State laws and current dam safety guidelines.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of High Hazard Potential Dam Inspections as a percent of standard.	100	100	100	100
● Number of Significant Hazard Potential Dam Inspections as a percent of standard.	100	100	100	100
● Number of Low Hazard Potential Dam Inspections as a percent of standard.	100	100	100	100
● Cost per O&M inspection (in dollars).	815	975	950	950
● Number of Construction Inspections.	100	100	100	100

- ◆ Goal 2 - To bring dams into compliance with State laws and dam safety guidelines.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Number of dams classified in a non-emergency unsafe condition.	17	15	13	13
● Number of dams within jurisdiction.	253	260	262	265
● Determination of jurisdictional status of unregistered dams.	15	10	5	5

**Subprogram Mission:**

*To reduce the loss of lives, property and water resources in Arizona by providing appropriate flood information to the National Weather Service and local entities, and by facilitating appropriate development and mitigating the impact of inappropriate development within floodplains through structural and nonstructural flood control planning assistance.*

**Subprogram Description:**

The subprogram provides assistance in developing flood control projects; the planning, design and construction of flood warning systems; delineation of floodplains; and setting state standards with local, state and federal agencies during times of flood emergencies.

**Funding and FTE Amounts:**

(\$ Thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
General Funds	192.7	163.9	163.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Fund	43.1	0.0	0.0
Federal Funds	47.4	145.9	146.0
<b>Subprogram Total</b>	<b>283.2</b>	<b>309.8</b>	<b>309.9</b>
FTE Positions	1.0	1.0	1.0

**Subprogram Goals and Performance Measures:**

- ◆ Goal 1 - To design and construct a statewide high-speed data collection and dissemination network.

Performance Measures	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
● Percent completeness of the construction (and/or operational status) of the communications network.	100	100	100	100

- ◆ Goal 2 - 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.







# 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*.

**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 as part of the agency budget request, which will allow a partially funded program to operate for a full year.

**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 State-wide accounting system maintained by the Department of Administration.

**Arizona Revised Statutes (A.R.S.)** The laws governing the State of Arizona.

**base budget** An adjusted budget base that reflects the current year appropriation, amended to include changes for standard operating adjustments. Standard operating adjustments include annualization of programs partially funded by the Legislative appropriation during the current year; annualization of Legislatively authorized pay packages; restoration of vacancy savings; and one-time increases or decreases to the operating budget.

**below-the-line items** Specific expenditure/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 (i.e., social services, maternal and child health, childcare).

**budget** A financial plan that estimates the revenues and expenditures for a given period of time. (*See also: capital budget 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. The monies partially offset building operating and maintenance costs.

**categorical eligibility** Eligibility for certain federal-State matched public assistance programs is automatic, based on criteria established in federal law. Admission to the program (e.g., Medicaid) is mandatory to certain groups of beneficiaries who meet the legal criteria for eligibility to the specified program.

**categorical programs** Refers to 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 Personnel Division of the Department of Administration.

**comptroller object code** A four-digit code used within the State-wide 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 automatically renewed 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.

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**decision package** Category of a funding request made by state agencies. Decision package requests address funding needs associated with statutory funding formulas, entitlement caseload growth, and new statutory mandates not previously funded.

**detail fund** A fund designation used in the Statewide accounting system to segregate agency-specific activity. An appropriated fund's balance is comprised of the sum of all of its detail funds.

**Disproportionate Share Hospital** Section 1923 of the Social Security Act sets forth federal requirements designed to aid hospitals that serve a disproportionate share of low-income and Medicaid Patients. 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.

**efficiency** A performance measure that reflects productivity or the cost of providing a good or service.

**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; Government Information Technology Agency charges; and uniforms for certain classes of employees.

**entitlement programs** Generally refers to a broad category of categorical public assistance programs which 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, Equipment is considered a specific item of expenditure. Equipment is 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** Refers to persons who have annual incomes of not more than 100% of the FPL 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*.

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**federal budget neutrality** Budget neutrality means 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-and-



a-half-year period that began on April 1, 2001, and expires September 30, 2006.

**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** 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** Section 1115 of the Social Security Act provides the Secretary of the U.S. Department of Health and Human Services with broad authority to authorize experimental, pilot or demonstration projects that, in the judgment of the Secretary, 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.

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**General Accounting Office (GAO)** A division of the Department of Administration that provides diverse State-wide 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.

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**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.

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**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 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. The JLBC Staff is the Legislative counterpart to the OSPB.

**Joint Committee on Capital Review (JCCR)** The committee was 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.

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**KidsCare** The State Children’s Health Insurance Program (SCHIP), created by the passage of the Federal Balanced Budget Act of 1997, is 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).

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**lapsing appropriation** An appropriation that terminates automatically. Except for continuing appropriations, an appropriation is made for a certain period of time, generally one 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 which 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.

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**MASTER LIST** The MASTER LIST OF STATE GOVERNMENT PROGRAMS. 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. OSPB still publishes the hard copy report biennially.

**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*, as well as 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 are considered statutorily appropriated and are not subject to the annual or biennial appropriation process.

**non-lapsing appropriation** An appropriation that does not revert to the fund from which it was appropriated at the end of the *fiscal year*, as provided by law. See *Continuing appropriation*.

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**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. 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 OF STATE GOVERNMENT PROGRAMS.

**Other Appropriated Funds** All amounts, excluding *General Fund* amounts, appropriated by the Legislature for predetermined uses. These are also called 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.

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**per diem travel** Cost of meals and incidentals reimbursed to employees and board or commission members.

**per diem compensation** Compensation paid to board or commission members for their work. Compensation per diem is a daily rate set statutorily.

**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, efficiency, 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. The current reimbursement is 34.5 cents per mile.

**privatization** The opening of government markets allowing for equitable competition among 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. The statutory deadline for completion of the phase-in for all state agencies is state fiscal year 2006.

**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** On November 7, 2000, Arizona voters approved Proposition 204, which expands eligibility for the AHCCCS program to include individuals whose annual incomes are at or below 100% of the Federal Poverty Level (FPL). The Proposition specifies that monies received by the State from the tobacco litigation settlement be used to fund the program.

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**quality** A performance measure that reflects the effectiveness in meeting the expectations of customers and stakeholders.

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**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** The 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 individual employee or agency acting on behalf of the State of Arizona.

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**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.

**special line items** *See below-the-line items.*

**standard adjustments** Changes that must be made to the current year's appropriation to arrive at the new year's base budget. Examples of standard adjustments include annualization of programs partially funded during the current year, annualization of the pay package, restoration of vacancy savings, and one-time increases and decreases.

**statute** A written law, either new or revised, enacted by the Legislature and signed by the Governor.

**strategic management** The process of positioning an organization so it can prosper in the future. The overall framework within which policy development, strategic, operational, quality planning, budgeting, capital outlay planning, information technology planning, 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.

**subprogram** Two or more integral components of a program that can be separately analyzed to gain a better understanding of the larger program.

**State service** All offices and positions of employment in State government except offices and positions specifically exempted by law from the State personnel system.

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**tracking systems** Systems that monitor progress, compile management information and keep goals on track.

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**uniform allowance** An amount budgeted for specific agencies for the cost of uniforms that are required by the agency.

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**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 Department of Administration: merit increases for State employees; funding for reclassified positions; and creation of new positions that exceed the total number of authorized *FTE*, as approved by the Legislature.

# Acronyms

<b>AAC</b> Arizona Administrative Code	<b>AIDA</b> Arizona International Development Authority	<b>CCDF</b> Child Care Development Fund
<b>ABOR</b> Arizona Board of Regents	<b>ALTCS</b> Arizona Long-Term Care System	<b>CEDC</b> Commerce and Economic Development Commission
<b>ACJC</b> Arizona Criminal Justice Commission	<b>AOOE</b> All Other-Operating Expenditures	<b>CERF</b> Collection Enforcement Revolving Fund
<b>ACJIS</b> Arizona Criminal Justice Information System	<b>APP</b> Aquifer Protection Permit	<b>CHC</b> Community Health Center
<b>ACW</b> Arizona Center for Women	<b>APS</b> Adult Protective Services	<b>CHILDS</b> Children's Information Library and Data Source
<b>ADA</b> Americans with Disabilities Act	<b>ARF</b> Automation Revolving Fund	<b>CIS</b> Client Information System
<b>ADE</b> Arizona Department of Education	<b>ARRT</b> American Registry of Radiological Technologists	<b>CJEF</b> Criminal Justice Enhancement Fund
<b>ADC</b> Arizona Department of Corrections	<b>A.R.S.</b> Arizona Revised Statutes	<b>CWA</b> Clean Water Act
<b>ADJC</b> Arizona Department of Juvenile Corrections	<b>ASDB</b> Arizona School for the Deaf and the Blind	<b>CWRF</b> Clean Water Revolving Fund
<b>ADM</b> Average Daily Membership	<b>ASH</b> Arizona State Hospital	<b>CLIA</b> Clinical Lab Inspections Act
<b>ADMIN</b> Administration	<b>ASPC</b> Arizona State Prison Complex	<b>CMDP</b> Comprehensive Medical and Dental Plan
<b>ADOA</b> Arizona Department of Administration	<b>ASRS</b> Arizona State Retirement System	<b>CMR</b> Classification Maintenance Review
<b>ADOT</b> Arizona Department of Transportation	<b>ASU</b> Arizona State University	<b>COP</b> Certificate of Participation
<b>ADP</b> Average Daily Population	<b>ASUMC</b> Arizona State University Main Campus	<b>COSF</b> Capital Outlay Stabilization Fund
<b>AERB</b> Agriculture Employment Relations Board	<b>ASUE</b> Arizona State University East	<b>CPS</b> Child Protective Services
<b>AFDC</b> Aid for Families with Dependent Children	<b>ATA</b> Automobile Theft Authority	<b>CRS</b> Children's Rehabilitative Services
<b>AFIN</b> Arizona Fingerprint Identification Network	<b>ATDA</b> Arizona Technology Development Authority	<b>CSMS</b> Combined Support Maintenance Shop
<b>AFIS</b> Arizona Financial Information System	<b>AVSC</b> Arizona Veterans' Service Commission	<b>CSO</b> Correctional Service Officer
<b>AFUND</b> Appropriated Fund	<b>AZAFIS</b> Arizona Automated Fingerprint Identification System	<b>DACS</b> Division of Aging and Community Services
<b>AG</b> Attorney General	<b>AZGS</b> Arizona Geological Survey	<b>DBME</b> Division of Benefits and Medical Eligibility
<b>AGFD</b> Arizona Game and Fish Department	<b>BIFO</b> Border Infrastructure Finance Office	<b>DCFS</b> Division of Children and Family Services
<b>AHCCCS</b> Arizona Health Care Cost Containment System	<b>CAE</b> Commission on the Arizona Environment	<b>DD</b> Dually Diagnosed or Developmentally Disabled
<b>AHS</b> Arizona Historical Society	<b>CAP</b> Child Abuse Prevention	<b>DDD</b> Division of Developmental Disabilities
	<b>CBHS</b> Children's Behavioral Health Services	

<b>DDSA</b> Disability Determination Services Administration	<b>FMAP</b> Federal Matching Assistance Payments	<b>JCCR</b> Joint Committee on Capital Review
<b>DEA</b> Drug Enforcement Account	<b>FMCS</b> Financial Management Control System	<b>JCEF</b> Judicial Collection Enhancement Fund
<b>DEMA</b> Department of Emergency and Military Affairs	<b>FPL</b> Federal Poverty Level	<b>JLBC</b> Joint Legislative Budget Committee
<b>DEQ</b> Department of Environmental Quality	<b>FTE</b> Full-Time Equivalent	<b>JOBS</b> Job Opportunity and Basic Skills
<b>DERS</b> Division of Employment and Rehabilitative Services	<b>GAAP</b> Generally Accepted Accounting Principles	<b>LAN</b> Local Area Network
<b>DES</b> Department of Economic Security	<b>GADA</b> Greater Arizona Development Authority	<b>LES</b> Licensing and Enforcement Section
<b>DHS</b> Department of Health Services	<b>GAO</b> General Accounting Office	<b>LGIP</b> Local Government Investment Pool
<b>DJC</b> Department of Juvenile Corrections	<b>GDP</b> Gross Domestic Product	<b>LTC</b> Long Term Care
<b>DOA</b> Department of Administration	<b>GITA</b> Government Information Technology Agency	<b>MAG</b> Maricopa Association of Governments
<b>DOR</b> Department of Revenue	<b>GITEM</b> Gang Intelligence Team Enforcement Mission	<b>MARS</b> Management and Reporting System
<b>DPS</b> Department of Public Safety	<b>HAP</b> Hazardous Air Pollutant	<b>MAO</b> Medical Assistance Only
<b>DSH</b> Disproportionate Share Hospital	<b>H.B.</b> House Bill	<b>MD</b> Multiply Disabled
<b>DWI</b> Driving While Intoxicated	<b>HI</b> Hearing Impaired	<b>MDSSI</b> Multiply Disabled Severely Sensory Impaired
<b>DWR</b> Department of Water Resources	<b>HMO</b> Health Maintenance Organization	<b>MEDICS</b> Medical Eligibility Determinations and Information Control System
<b>EAC</b> Eligible Assistance Children	<b>HCBS</b> Home and Community Based Services	<b>MIPS</b> Million Instructions Per Second or Medicaid in the Public Schools
<b>EDP</b> Electronic Data Processing	<b>HRMS</b> Human Resource Management System	<b>MIS</b> Management Information System
<b>EEO</b> Equal Employment Opportunity	<b>HURF</b> Highway User Revenue Fund	<b>MNMI</b> Medically Needy Medically Indigent
<b>ELIC</b> Eligible Low-Income Children	<b>IGA</b> Intergovernmental Agreement	<b>MVD</b> Motor Vehicle Division
<b>EMS</b> Emergency Medical Services	<b>IHS</b> Indian Health Service	<b>NADB</b> North American Development Bank
<b>EMSCOM</b> Emergency Medical Services Communications	<b>IM 240</b> Inspection and Maintenance 240 Second Emission Test	<b>NAFTA</b> North American Free Trade Agreement
<b>EMSOF</b> Emergency Medical Services Operating Fund	<b>IOCC</b> Inter-State Oil Compact Commission	<b>NAIC</b> National Association of Insurance Commissioners
<b>EPA</b> Environmental Protection Agency	<b>IRM</b> Information Resource Management	<b>NAU</b> Northern Arizona University
<b>EPSDT</b> Early Periodic Screening, Diagnostic, and Testing	<b>IRMG</b> Information Resource Management Group	<b>NLCIFT</b> National Law Center for Inter-American Free Trade
<b>ERE</b> Employee-Related Expenditures	<b>ISD</b> Information Services Division	<b>NRC</b> Natural Resource Conservation District
<b>FES</b> Federal Emergency Services	<b>ISP</b> Institutional Support Payments	
<b>FFP</b> Federal Financial Participation	<b>IT</b> Information Technology	
<b>FHAMIS</b> Family Health Administration Management Information System	<b>ITAC</b> Information Technology Authorization Committee	
<b>FICA</b> Federal Insurance Contribution Act		

**OAH** Office of Administrative Hearings

**OGCC** Oil and Gas Conservation Commission

**OSHA** Occupation Safety and Health

**OSPB** Office of Strategic Planning and Budgeting

**PAS** Prior Authorization Screening

**PASARR** Pre-admission Screening and Annual Resident Review

**PERIS** Public Employee Retirement Information System

**PDSB** Phoenix Day School for the Deaf

**PHS** Prescott Historical Society

**POV** Privately Owned Vehicle

**PS** Personal Services

**PSPRS** Public Safety Personnel Retirement System

**PRWORA** Personal Responsibility and Work Opportunity Reconciliation Act of 1986

**QMB** Qualified Medicare Beneficiary

**RARF** Regional Area Road Fund

**RCF** Registrar of Contractors Fund

**REDI** Rural Economic Development Initiative

**REM** Retain, Eliminate or Modify

**RIF** Reduction-in-Force

**RMIS** Risk Management Information System

**RTC** Residential Treatment Center or Return to Custody

**RUCO** Residential Utility Consumer Office

**SAMHC** Southern Arizona Mental Health Center

**SAVE** Systematic Alien Verification for Entitlements

**S.B.** Senate Bill

**SBAC** Small Business Assistance Center

**SBIR** Small Business Innovative Research

**SBOE** State Board of Equalization

**SCHIP** State Children's Health Insurance Program

**SDWA** Safe Drinking Water Act

**SES** State Emergency Services

**SLI** Special Line Item

**SLIAG** State Legalization Impact Assistance Grant

**SMI** Serious Mental Illness or Seriously Mentally Ill

**SOBRA** Sixth Omnibus Reconciliation Act

**SPAR** Strategic Program Authorization Review

**SPO** State Purchasing Office

**SPPC** Structural Pest Control Commission

**SPU** Special Population Unit

**SR&E** Securities Regulation and Enforcement

**SSI** Supplemental Security Income

**SSIG** State Student Incentive Grant

**SSRE** State Share of Retained Earnings

**SWCAP** State-wide Cost Allocation Plan

**SDWA** Safe Drinking Water Act

**SDWRF** Safe Drinking Water Revolving Fund

**TANF** Temporary Assistance for Needy Families

**T&R** Title and Registration

**TB** Tuberculosis

**TCC** Transitional Child Care

**TDD** Telecommunication Devices for the Deaf

**TIFS** Tourism Investment Fund Sharing

**TPO** Telecommunications Policy Office

**UA** University of Arizona

**UAHSC** University of Arizona Health Sciences Center

**USAS** Uniform State-wide Accounting System

**USGS** United States Geological Survey

**UST** Underground Storage Tank

**VEI** Vehicle Emission Inspections

**VI** Visually Impaired

**VR** Vocational Rehabilitation

**VRIRF** Victims' Rights Implementation Revolving fund

**WAN** Wide Area Network

**WATS** Wide Area Telephone System

**WICHE** Western Inter-State Commission on Higher Education

**WIFA** Water Infrastructure Finance Authority

**WIPP** Work Incentive Pay Plan

**WPF** Water Protection Fund

**WFRJT** Work Force Recruitment and Job Training

**WQAB** Water Quality Appeals Board

**WQARF** Water Quality Assurance Revolving Fund

## Resources



To obtain further information on the **2003 – 2005 Master List of State Government Programs**, operational planning and performance measures, contact:

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Phone: 602-542-6194 or E-Mail at: [bwalter@az.gov](mailto:bwalter@az.gov)



The following **planning resources** are available on the Governor's Office of Strategic Planning and Budgeting Home Page on the World Wide Web:

<http://www.ospb.state.az.us> . Then click on **Strategic Planning Materials**

- Master List of State Government Programs**
- Program Budgeting**
- 5-Year Strategic Plans
- Strategic Program Area Reviews (SPAR)
- Arizona Budget Reform
- Managing for Results, Strategic Planning and Performance Measurement Handbook

<http://www.ospb.state.az.us>. Then click on **Software Downloads and User Guides**

- Arizona Integrated Planning System (AZIPS) software download (the publication software for the Master List of State Government Programs)
- AZIPS User's Guide
- BUDDIES software download (the publication software for the budget request forms)
- BUDDIES User's Guide



The following **budget resources** are available on the Governor's Office of Strategic Planning and Budgeting Home Page on the World Wide Web:

<http://www.ospb.state.az.us>. Then click on **Budgeting Materials**

- FY2005 Budget Instructions
- Statement of Federal Funds FY2002
- Executive Budget Proposal Compared to the Republican Leadership Proposal for FY2004
- Executive Budget Proposal Compared to the Chairman's Proposal for FY2004
- FY2002-2004 Appropriations Limit Calculation
- FY2004 and FY2005 Executive Budget Summary
- FY2004 and FY2005 Executive Budget Detail



For information on current **budgets**, refer to the agency's most recent budget submittal, the most recent OSPB Budget Instruction Manual, or call the appropriate OSPB Budget Analyst at 602-542-5381. Budget analyst assignments are also available on the web page.