



**State of Arizona**

***Five-Year Strategic Plans of State Agencies***

**and**

***The Master List of State Government Programs***

FISCAL YEARS 2012 - 2015

**Janice K. Brewer  
GOVERNOR**



**State of Arizona**

***Five-Year Strategic Plans of State Agencies***

**and**

***The Master List of State Government Programs***

FISCAL YEARS 2012 - 2015

**Janice K. Brewer**  
**GOVERNOR**

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**Janice K. Brewer**  
**Governor**

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**John Arnold**  
**Director**

January 30, 2013

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

Dear Mr. Stavneak:

I am pleased to transmit the *Five-Year Strategic Plans for State Agencies* and the *Master List of State Government Programs*. The Five-Year Strategic Plans include the strategic issues faced by each agency, the strategies the agency expects to use in dealing with those issues, and the resource assumptions through FY 2018. The *Master List* provides an inventory of the missions, descriptions, strategic issues, goals, and performance measures for all programs and subprograms of all state agencies. This information provides the foundation to make government more understandable to the public, improve productivity and customer service, and strengthen accountability for results.

This is the first year that Five-Year Strategic Plans have been included for each Executive and Judiciary agency. The Executive continues to examine the budget reform process to enhance its value to Executive and Legislative decision makers and citizens. Through automation, the Governor's Office of Strategic Planning and Budgeting has significantly streamlined the process for collecting and publishing strategic planning information. While the process is continuously 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 blue ink, appearing to read "John Arnold", with a large, sweeping flourish extending to the right.

John Arnold  
Director

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### ABOUT THE MASTER LIST

The *Five-Year Plans* of State agencies and the *Master List of Programs* is information provided by State agencies in September of each year and is published without changes to the funding or performance measure data provided by agencies. Other text is edited by OSPB only to the extent necessary for clarity. Funding amounts for current and future years includes all monies the agency is requesting or plans to request and is not related to recommendations made in the *Executive Budget*.

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About the Five-Year Plans  
and the Master List

## Program Budgeting

### The Strategic and Operational Plans of State Government Agencies are Critical Components of Program Budgeting and Transparency

PROGRAM BUDGETING AS MANDATED IN ARIZONA provides transparency and understanding of the mandated functions of state agencies. Planning and budgeting is enacted and implemented in a way that allows citizens and policy makers to track the revenues and expenditures of each mandated function of state government as well as its operational goals and performance measures.

To that end, the Governor's Office of Strategic Planning and Budgeting (OSPB) annually publishes the *Five-Year Strategic Plans of State Agencies* and the *Master List of State Government Programs*, which include each agency's three-year operational plans.

*Five-Year Strategic Plans* present an agency's mission, description, current strategic issues, strategies for dealing with strategic issues, and resource assumptions for the five-year period. This year's plans provide an outlook through FY 2018. *Five-Year Strategic Plans* are presented here as submitted by each agency in recent months. Agencies developed their plans before knowing what would be in the Governor's Executive Budget.

The *Master List of State Government Programs* includes a detailed look at each mandated function of state government, organized by programs and subprograms. Each program and subprogram contains a mission, description, the most important goals of the program, results-oriented performance measures, total funding, and staffing for the program. Also included are goals, performance measures, funding, and staffing at the agency level. Agencies provided information for the *Master List of State Government Programs* on September 1, 2012.

On the pages that follow for each agency, the Five-Year Plan is displayed first, followed by other agency-level information, and finally the detailed information for each of the agency's programs and subprograms.

Originally, attempts were made to isolate each mandated function of state government as much as possible within a unique program or subprogram. When first compiled in 1994, the Master List contained 1,267 programs. Over time the number of programs has been consolidated to 528. Any single program may now contain several related mandated governmental functions.

The *Master List of State Government Programs* is currently the most complete list of State government programs available.

The publication by OSPB of the *Master List of State Government Programs* is required by A.R.S. § 35-122.

The publication by OSPB of the *Five-Year Strategic Plans* is required by A.R.S. § 35-122 and by implementation instructions for Laws 2012, Chapter 296.

The uniformity of budgeting and planning structures is required by A.R.S. § 35-113.



Individual Agency Entries



# Board of Accountancy

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

ARIZONA STATE BOARD  
OF ACCOUNTANCY



Five Year Strategic Plan  
FY 2014 - FY 2018

Monica L. Petersen  
Executive Director

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## Vision

To be a model regulatory agency in the State of Arizona and among other state Boards of Accountancy in the nation.

## Mission

The primary duty of the Arizona State Board of Accountancy is to protect the public from unlawful, incompetent, unqualified or unprofessional certified public accountants or public accountants through certification, regulation and rehabilitation.

## Description

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

## Guiding Principles

Guiding Principles are core values and philosophies that describe how an organization conducts itself in carrying out its mission.

### Quality

We will deliver service, information and products that reflect excellence.

### Continuous Improvement

We will continually review critical processes to ensure that they are made efficient, effective and responsive to our customers.

### Results

We will focus on outcomes, solutions, and achievements streamlining and simplifying where possible.

### Integrity

We will act in an honest, ethical and professional manner in all endeavors.

**Openness**

We will promote the sharing of ideas and information throughout the organization and be receptive to new ideas.

**Initiative**

We act to solve problems and seek improvements.

**Accountability**

We will take ownership and responsibility for our actions and results.

**Stewardship**

We embrace the responsibility of managing resources on behalf of exam and certification applicants and registrants who are our primary sources of revenue.

**Pride**

We demonstrate enthusiasm and dedication in everything we do.

**Courtesy**

We treat others politely and with respect.

**Leadership**

We see the need, take action, and guide and empower others.

<b>Strategic Issues</b>
-------------------------

**Business Continuity**

The Board of Accountancy is comprised of 13 full-time equivalent positions, 12 of which are currently filled. Over the next five years, approximately five positions will be retirement eligible which represents 42% of the Board's workforce. While staff may choose to continue to work past the period in which they are eligible to retire, it is incumbent upon the Board to properly prepare and do some succession planning to ensure a smooth transition in the Board's operations.

**Database Limitations**

The Board of Accountancy currently operates a SQL 2000 database which is archaic, no longer supported, and is at its end of life. The Board's existing database is not well organized in terms of its use, the data fields are static and do not collect history, it collects a limited and basic amount of information, and limited in its ability to query information for decision and policy making or performance measurement reporting due to its lack of content and static fields which are ever changing making it impossible to reproduce the result of a query from a former point in time.

A new database must be designed which will serve as a back office system. The database would be designed such that each individual receives a unique customer ID so with a search of a single name the Board can see all Board transactions related to the customer. In contrast, the existing database is like four separate databases since information related to exam, certification, firms, and compliance must all be searched separately. This makes connecting the dots with individual registrants who might also be registered as a firm and who also might have a disciplinary history difficult and inefficient to ascertain.

A new back office system, of which a large component is a new database, would become the central nervous system of the office and would support the contents of envisioned future on-line applications, be able to generate standard and template communications for a variety of business processes, replace various off-database Excel documents that are required to be maintained, and served as the hub of information that would ultimately support the "My Account" function for exam and certification applicants as well as certificate holders and firms.

The concept of "My Account" is to allow every customer that the Board interacts with an opportunity to receive the best service available through a web based portal that would for instance allow each individual to check the status of an exam application, certification application, firm registration, or compliance order. It would allow each customer to have access to key documents that they have submitted to Board such as a recent renewal or firm registration or that they have agreed to such as a Decision and Order by Consent if they have been disciplined. It would also be designed to allow for simple transactions such as a name or address change. Further, with the ability to keep the Board apprised of email changes the Board can send reminders about renewal or firm registration dates, when a particular provision of a compliance order is due, or any type of mass communication that the Board feels is important to apprise registrants about like proposed rulemaking or articles that help send out information in a proactive fashion to educate registrants about reoccurring issues and help achieve compliance in a proactive rather than reactive fashion.

### **Office Modernization**

There are many opportunities to modernize office operations and improve efficiency, cost effectiveness, and customer service. Processes that can be modernized include but are not limited to on-line exam applications, on-line re-exam applications, on-line certification, on-line firm registration, on-line complaint filing, on-line CPE audits, on-line customer satisfaction surveys, on-line address updates, and posting of disciplinary orders to the Board's CPA Directory on its website. Other modernization efforts include automated standard template letters to ensure consistent messaging for applicants and registrants.

<b>Goals, Strategies, and Performance Measures</b>
--

Goal - To create an infrastructure that supports succession planning and better coverage and customer service during employee leave.

Strategy - Develop written desk procedures for all key business processes and save in central network location with appropriate security privileges.

Strategy - Cross train employees

Performance Measures	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Number of written desk procedures for key business processes that need to be developed					
Number of written desk procedures for key business processes that have been completed					
Number of employees that have been cross trained					

Goal - To develop a back office system (Accountancy Regulatory Management System) to support modernization endeavors.

Strategy - To define elements of new on-line or web based applications, business process flow, template communications, and performance and management data to help define necessary data elements of new Accountancy Regulatory Management System.

Performance Measures	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Number of sections in ARMS system to complete					
Number of sections in ARMS system completed					

Goal - To develop new on-line or web based applications.

Strategy - To define elements of new on-line or web based applications.

Performance Measures	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Number of on-line or web					

based applications to complete					
Number of on-line or web based applications completed					

<b>Resource Assumptions</b>
-----------------------------

	FY 2013 Approp	Budget Request FY 2014	Estimate FY 2015	Estimate FY 2016	Estimate FY 2017	Estimate FY 2018
Resource Assumptions Full-Time Equivalent (FTE) Positions	13.0	13.0	13.0	13.0	13.0	13.0
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Other Appropriated Funds	\$1,897,700	\$1,897,700	\$1,897,700	\$1,897,700	\$1,897,700	\$1,897,700
Non-Appropriated Funds	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds Total Agency Funds	\$0	\$0	\$0	\$0	\$0	\$0



## Agency Summary

### BOARD OF ACCOUNTANCY

Monica L. Petersen, Executive Director  
 Phone: (602) 364-0804  
 A.R.S. §§ 32-701

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,640.2	1,897.7	1,897.7	1,897.7
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,640.2</b>	<b>1,897.7</b>	<b>1,897.7</b>	<b>1,897.7</b>
<b>FTE Positions</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of successful candidates	371	307	272	250	250	250
Number of exam candidates approved by Board to sit for the Uniform CPA exam	496	610	504	500	500	500

◆ **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	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of certificates issued	375	409	414	395	395	395
Biennial renewal of certificates	5440	5303	5435	5438	5438	5438

**Explanation:** FY 2011 - FY 2013 estimates are estimated to be lower due to the impact of Laws 2008, Ch. 295 (SB 1227) regarding CPA reciprocity and mobility.

Number of firms registered	118	120	104	111	111	111
Number of firms renewed (excluding sole practitioners)	734	687	747	740	740	740
Percent of applicants reporting very good or excellent service	87	90	90	90	90	90

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of revocations and relinquishments	6	4	10	8	8	8
Number of compliance files established	142	126	142	142	142	142
Number of compliance files that resulted in discipline	29	24	36	33	33	33
Number of compliance files that resulted in administrative letters of concern	37	34	37	37	37	37

# Acupuncture Board of Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# ARIZONA ACUPUNCTURE BOARD OF EXAMINERS

## FIVE-YEAR STRATEGIC PLAN

### EXECUTIVE SUMMARY

The Acupuncture Board of Examiners is a nine member board who are appointed for three year terms by the governor. The Board consists of three consumer members, four licensed acupuncturists and two health professionals licensed in the state.

Pursuant to Arizona Revised Statutes:

"Acupuncture" means puncturing the skin by thin, solid needles to reach subcutaneous structures, stimulating the needles to affect a positive therapeutic response at a distant site and the use of adjunctive therapies.

"Adjunctive therapies" means the manual, mechanical, magnetic, thermal, electrical or electromagnetic stimulation of acupuncture points and energy pathways, auricular and detoxification therapy, ion cord devices, electroacupuncture, herbal poultices, therapeutic exercise and acupressure.

The Board regulates the licensed acupuncturists and certificated auricular acupuncturists in Arizona. At the present time, there are 542 licensed acupuncturists and 45 auricular acupuncturists. The auricular acupuncturists are permitted to practice for the purpose of treating alcoholism, substance abuse or chemical dependency and are supervised by licensed acupuncturists

The Board is to evaluate the qualifications of applicants and issue licenses to qualified applicants, initiate investigations and take disciplinary actions, establish fees, and adopt rules establishing and approving training.

The course of study for a school of acupuncture must be reviewed and approved by the Board.

## **MISSION**

The mission of the Acupuncture Board of Examiners is to benefit, educate and protect the public through regulation of licensure; provision of consumer information; and enforcement of the rules, regulations and statutes governing the safe practice of acupuncture.

## **VISION**

The Acupuncture Board of Examiners is committed to the enhancement of the health and safety of the people of Arizona by ensuring:

- Protection for and confidence by the consumer through enforcement of laws governing the practice of acupuncture.
- Highly qualified practitioners working as health care professional.
- Fair and ethical standards of professional conduct.
- Excellence in practitioner training and education.

## **AGENCY DESCRIPTION**

The Acupuncture Board of Examiners regulates the practice of acupuncturists and auricular acupuncturists.

The Board reviews and examines and evaluates the qualification of applicants and issues acupuncture licenses and auricular acupuncture certificates to qualified applicants.

Licensed acupuncturists and certified auricular acupuncturists renew their licenses and certificates annually.

The Board upon receipt of complaints against licensed acupuncturists and certificated auricular acupuncturists conducts investigations and will take disciplinary action as necessary to protect the general public.

Review and approval of continuing education courses is conducted by the Board.

## STRATEGIC ISSUES

Goal: To professionally respond to industry and national trends, the Board will need to have the appropriate staffing and financial resources to accomplish this goal. This will require new statutory language and rulemaking.

Strategy: By July 2013, the Board will have completed discussions with the Arizona State Board of Physical Therapy on the topic of dry needling and training requirements for physical therapists.

Strategy: Introduce legislation in 2013 to add a fingerprint requirement for future licensures. In addition, the Board will need to have current licensees meet this requirement as well.

Strategy: The Arizona Society of Oriental Medicine and Acupuncture will be seeking scope of practice expansion for acupuncturists in the 2013 legislative session. This expansion involves the use and prescription of herbal substances.

Strategy: By July 2016, the Board will have acquired statutory authority to require that future license applicants have taken and passed the national examination in herbology.

**Goal:** To continuously improve the license renewal process, the Board has begun discussions to implement an online license and certificate renewal system.

**Strategy:** Secure adequate non-general fund appropriations to establish and maintain an online renewal system.

### RESOURCE ASSUMPTIONS

#### Funding and FTE Summary

Description	FY2013 Approved	FY2014 Requested	FY2015 Requested	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
FTE Positions	1	1	1	1	1	1
Other Appropriated Fund	125.8	145.4	145.4	145.4	145.4	145.4



### Agency Summary

#### ACUPUNCTURE BOARD OF EXAMINERS

Pete Gonzalez, Executive Director  
 Phone: (602) 364-0145  
 A.R.S. § 32-3901

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	94.2	125.8	145.4	145.4
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>94.2</b>	<b>125.8</b>	<b>145.4</b>	<b>145.4</b>
<b>FTE Positions</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of complaints received.	0	8	10	9	9	10
Unlicensed individuals or institutions identified.	3	2	1	2	2	2
Total complaints.	0	8	10	8	8	8
Average time from receipt of complaint until resolution	0	120	91	120	120	120
Number of complaints resolved from prior year.	0	0	0	3	0	0

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of investigations conducted	0	8	10	9	9	10
Licensees with greater than one investigation	0	0	0	0	0	0
Percent of unlicensed practitioners brought into compliance	100	100	100	100	100	100
Percent of investigations resulting in disciplinary enforcement	0	20	0	20	20	20

◆ **Goal 3** To ensure that all applications are handled in an efficient manner. Beginning FY 2012, continuing education applications were included.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of applications received	64	75	100	110	115	120

**Explanation:** FY12: 60 acupuncture license applications, 7 auricular acupuncture certificate applications and 33 continuing education applications.

Number of renewals issued	512	525	530	530	540	550
Auricular Acupuncture Certificates Issued	12	25	6	10	15	20
Total number of licensees	511	525	537	565	580	600
Total number of auricular acupuncture certificate holders	53	65	44	50	60	70

# Department of Administration

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



# ADOA

ARIZONA DEPARTMENT OF ADMINISTRATION



## **FIVE YEAR STRATEGIC PLAN FY2014 – FY2018**

**Scott A. Smith**  
**Director**



Janice K. Brewer  
Governor

Scott A. Smith  
Director

## ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR

100 NORTH FIFTEENTH AVENUE • SUITE 401  
PHOENIX, ARIZONA 85007

(602) 542-1500

October 23, 2012

Dear Arizonans:

I am pleased to share with you our strategic plan for the next five years. The leadership team of the Arizona Department of Administration has invested extensive time and effort into the development of this strategic document by redesigning our plan from the ground up. We have involved our customer agencies, our employees, and our stakeholders in the development process.

The importance of accurately recognizing the context of our environment during the development of our strategic plan cannot be overstated. The national and state economies are struggling and agencies have limited financial resources available to devote to pursuing strategic initiatives. During the past few years, agencies have experienced budget reductions, employees have seen the elimination of performance pay, government has gone through a period of statewide furloughs, and the State continues to operate under a hiring freeze.

In spite of these conditions, employees have shown dedication and innovation to meet the challenges. The Arizona Department of Administration continues to advance in providing better service to agencies, introducing efficiencies and solving problems – all toward the goal of serving Arizonans by making government better.

Sincerely,

Scott A. Smith  
Director

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## EXECUTIVE SUMMARY

The Arizona Department of Administration (ADOA) is a state government agency dedicated to enabling, and in many cases, enhancing the ability of other agencies to conduct their business. ADOA was established in July 1973 by the Arizona State Legislature to provide support to the operation of state government.

### Mission

*“Proudly serving the people of Arizona, the Arizona Department of Administration enables government agencies to operate efficiently and effectively by providing support services and serving as a leader of statewide programs and solutions.”*

This statement accurately identifies the dual role of ADOA; that of providing centralized support services to agencies so they can focus their efforts on their unique missions, as well as embracing the leadership role of the agency to introduce and implement statewide efficiencies and solutions that no other agency has the leverage to embrace.

### Vision

*The vision of ADOA is to be recognized as:*

- a vital link in providing outstanding government services for the people of Arizona*
- the model government administrative agency in the nation*
- the organization where employees want to work*

The agency acknowledges the importance of being recognized as a vital link in the service delivery chain, ensuring that those agencies that directly provide services to the people of Arizona are in turn supported by ADOA. The agency is also working to be known as the model agency among all benchmark organizations, and ensuring that the agency is strongly competitive with other organizations to attract top quality applicants when a position needs to be filled.

### Values

A comprehensive list of twelve core values has been identified that will guide and direct the behavior of employees at all levels of the organization. Taken together, these values describe the culture of the workforce, ensuring that all employees and visitors to the agency have a common understanding of how they will be treated and what the expectations are.

- *Professionalism*
- *Leadership*
- *Courtesy*
- *Accountability*
- *Innovation*
- *Stewardship*
- *Partnership*
- *Integrity*
- *Results-Oriented*
- *Pride*
- *Quality*
- *Initiative*

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## Goals

The agency has identified eight goals that will direct future actions and decision-making. These goals cover a broad diversity of actions and initiatives, as shown below:

- *Goal 1 – Employees*
- *Goal 2 – Statewide Effectiveness*
- *Goal 3 – Reliability*
- *Goal 4 – Reform*
- *Goal 5 – Leadership*
- *Goal 6 – Asset Management*
- *Goal 7 – Innovation*
- *Goal 8 – Partnerships*

## Strategic Issues

The agency's strategic issues impact multiple divisions within the agency. The nature of these issues further reinforces the value and the goal of partnering with our customers and stakeholders; the agency will not be successful with the implementation of these issues without the assistance and cooperation of other agencies. Each of the strategic issues listed below are described in more detail in the strategic plan, including appropriate objectives and strategies that will lead to realizing efficiencies and improved service delivery:

- *Strategic Issue 1: Attract a Highly Engaged and Highly Motivated Workforce*
- *Strategic Issue 2: Leverage HRIS (Human Resources Information Solution)*
- *Strategic Issue 3: One State – One Procurement Gateway (Procurement Reform)*
- *Strategic Issue 4: Enhance Governmental Mail Security*
- *Strategic Issue 5: Leverage DMS (Document Management System)*
- *Strategic Issue 6: Control & Contain Benefit Costs*
- *Strategic Issue 7: Successful Implementation of Regulatory Reform*
- *Strategic Issue 8: State Data Center Business Continuity Improvements*
- *Strategic Issue 9: Implement New Statewide Infrastructure & Communications Network*
- *Strategic Issue 10: Expand E-Government Capabilities*
- *Strategic Issue 11: Accelerate Statewide Enterprise Architecture Adoption*
- *Strategic Issue 12: Implement Statewide Enterprise Resource Planning Solution*
- *Strategic Issue 13: Implement New Government Transformation Office*

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## **OVERVIEW OF THE AGENCY**

The Arizona Department of Administration (ADOA) is a state government agency dedicated to enabling, and in many cases, enhancing our customers' ability to conduct their business. ADOA was established in July 1973 by the Arizona State Legislature to provide support to the operation of state government. The Arizona State Legislature funds the majority of ADOA programs. For Fiscal Year 2013, the ADOA operating budget was \$1,090,563.50 and the agency was authorized 528.10 Full-Time Equivalent positions. Due to budget reductions, however, the agency currently employs only 462.88 employees.

The primary customers of ADOA include Arizona State government agencies (consisting of over 100 state agencies, boards, and commissions) and Arizona State employees. Even though it is minimal, ADOA does provide some direct service to the public, and to other governmental entities, including local governments (city and county), political subdivisions (e.g. school districts) and the Federal government.

Our service delivery cycle begins with the citizens of Arizona and their needs. They have needs for such things as health care; human service programs; enforcement of standards for the quality of Arizona's air, land and water; enforcement of standards of practice including finance, banking, accountants, barbers, insurance and educational standards; protection from criminal activity; law enforcement; and a transportation system. ADOA understands that it is just one piece of the overall operation of state government. Seven different types of state government agencies address these customer needs by including:

- Health and welfare agencies (e.g. Department of Health Services, Arizona Health Care Cost Containment System, Department of Economic Security),
- Protection and safety agencies (e.g. Department of Corrections, Department of Public Safety),
- Transportation agencies (e.g. Department of Transportation),
- Inspection and regulation agencies (e.g. Board of Accountancy, Department of Real Estate, Department of Insurance),
- Education agencies (e.g. Department of Education, Arizona State Schools for the Deaf and Blind),
- Natural resource agencies (e.g. Department of Environmental Quality, Game and Fish Department, State Land Department), and
- General government agencies (e.g. Department of Revenue, Governor's Office, Arizona Department of Administration).

For these state agencies and their employees to be successful in providing services to the citizens of Arizona, they in turn have needs. These needs can often be met most effectively and economically only through common systems and processes shared by all state government organizations. These common needs include:

- Developing employees through training
- Paying employees for the work they do
- Processing claims when the employees get injured
- Providing medical and dental health benefit options to employees



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- Maintaining office buildings for employees work in
  - Purchasing goods and services needed to conduct business
  - Providing information technology and telecommunication services for employees
  - Providing vehicles for business trips
  - Providing a pool of qualified applicants to fill job openings

ADOA was established by the Legislature to provide these common services which not only capture economies of scale and reduce unnecessary duplication, but also to allow state government agencies and their employees to focus their resources and efforts on their unique missions and meeting the various needs of the citizens of Arizona.

ADOA is organizationally comprised of the Director's Office and seven divisions:

### **Director's Office**

In addition to providing strategic direction and operational guidance for the agency, the Director's Office also includes the legislative liaison/public information office, Budget office, Government Transformation Office, Grant's Office, State Employee Charitable Contribution office, the Office of the General Counsel, the Office of Employment and Population Statistics and the Governor's Regulatory Review Council.

Additionally, the Director's Office formulates and advocates agency policy, compliance with all statutory requirements and administers ADOA operations in a cost-effective and efficient manner that is responsive to our customer's needs. The Director's Office also oversees and implements all strategic planning efforts for the agency.

### **Benefit Services**

The division administers and largely self-insures the health, life, dental, vision, and flex insurance programs. Their customer base includes state employees, university employees, and retirees, and their dependents. In total the division has a total customer population of over 127,000 members making the State the largest health insurance company in Arizona. The division assists members with a variety of benefits related issues. Additional services provided by the division include a Wellness Program and contracted services for an Employee Assistance Program. The Member Services staff works closely with the Benefit Liaisons assigned to each agency to ensure initial enrollments are correctly completed. Additionally, each year the staff conducts an open enrollment allowing members to modify their insurance choices ([www.benefitoptions.az.gov](http://www.benefitoptions.az.gov)).

### **General Accounting Office**

This group administers the statewide accounting system-Arizona Financial Information Systems (AFIS) which maintains information on over 36,000 vendors and involves processing over nine million transactions each year. The division also administers payroll for nearly 39,000 state employees through the Human Resources Information Solution (HRIS). Every two-week pay period, over \$95 million is processed through the payroll system. The division also coordinates and prepares multiple statewide financial reports, establishes statewide accounting policies and procedures, conducts internal audits, and assists agencies with problem resolution. Taken as a

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whole, the State is a big business; if the State were a Fortune 500 company, it would rank in the top 100 companies.

### **General Services**

The division provides project management and contract review services for capital projects and other construction projects. The division also maintains ADOA-managed office buildings (plumbing, electrical, heating/cooling, and general maintenance), provides custodial services, maintains landscaping, inspects facilities, and manages the modification of office space. In total the division provides property management services for over 3,500 structures. The division maintains a statewide fleet of vehicles ensuring agencies have appropriate vehicles for both long-term and short-term transportation needs. The management and disposition of surplus property is also coordinated through the division.

### **Human Resources**

The division is responsible for administering the State Personnel System which consists of 35,000 employees in over 95 state agencies, boards, and commissions. The division has three primary functions:

- Maintaining the infrastructure for personnel administration including the State's payroll/personnel system-Human Resources Information Solution (HRIS), the centralized job board (azstatejobs.gov), the hiring system (Hiring Gateway), the State's centralized employee's self-service website-Your Employee Services (YES), the classification and compensation system, and the Personnel Rules and policies that govern personnel within the ADOA Personnel System.
- Providing a number of services to state employees including a State Career Center, a Travel Reduction Program, and training through the Arizona Learning Center.
- Supporting state agencies by providing human resources services in the areas of employee relations, staffing and recruitment, job classification, employee compensation, employee development, recognition, workforce planning and analysis, and operational support.

### **Arizona Strategic Enterprise Technology (ASET) Office**

ASET is responsible for defining and executing the Statewide strategic IT plan in alignment with the Governor's four cornerstones of reform. ASET will expand on the Governor's reform agenda with the themes of reducing unnecessary expenditures, leveraging technology as a force-multiplier, and protecting the security and privacy information of our state's citizens. The Strategic Transformation and Innovation office sets the technology, security, privacy, and communication strategies, policies, and procedures for the state of Arizona. In addition, it is the body responsible for monitoring and overseeing high-risk technology projects across all state agencies. Lastly, it manages several large, state-wide programs and initiatives such as e-Government, the Health Information Exchange, and Broadband.

### **Risk Management**

The office provides statewide (including the three universities) management responsibilities for the following programs:

- The Property and Liability Claims Section is responsible for the investigation and settlement of all insurance claims related to state property and liability issues. The section

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also manages and defends lawsuits against the state with the assistance of the Attorney General's Office and recovers moneys from third parties responsible for loss or damage to state property.

- The Workers' Compensation Section is responsible for investigation and management of all workers' compensation claims filed by State employees. The Workers' Compensation Section manages the return to work and modified duty programs for the State and provides assistance to state employees in receiving quality medical care for injuries sustained on the job.
- The Loss Prevention/Insurance Section's primary responsibility is to work with State agencies to reduce the frequency and severity of losses. Risk Management Loss Prevention Consultants provide advice and assistance in a variety of areas, including exposure analysis, environmental assessments and industrial hygiene concerns. The section also purchases insurance policies that provide excess coverage, provides agency assistance regarding insurance and indemnification issues, and also oversees post-offer physical exams for persons entering jobs with a high risk of occupational illness or injury.
- The Financial Section provides budgets, forecasts, financial reports and pays all approved insurance claims.
- The Administration Section provides the division with support services, Support services include personnel, procurement, facility management and archiving

### **State Procurement Office**

The State Procurement Office serves as the central procurement authority for the State of Arizona. The office conducts strategic sourcing for statewide, cooperative contracts including: office supplies and equipment, temporary services, marketing/advertising services, information technology equipment, software and telecommunication equipment and services. They also conduct specialized procurements for a large number of small agencies with limited procurement authority. Additionally, the office provides and supports a central e-procurement system (ProcureAZ) for state agencies and cooperative members (i.e., counties, cities, schools) to use in conducting their procurements.

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## **MISSION AND VISION STATEMENTS**

### **MISSION**

**Proudly serving the people of Arizona, the Arizona Department of Administration enables government agencies to operate efficiently and effectively by providing support services and serving as a leader of statewide programs and solutions.**

### **VISION**

**The vision of ADOA is to be recognized as:**

- a vital link in providing outstanding government services for the people of Arizona**
- the model government administrative agency in the nation**
- the organization where employees want to work**

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## **VALUES**

<b>Professionalism:</b>	<b>We hold ourselves to a high standard of excellence in our conduct, behavior, communication, and appearance.</b>
<b>Leadership:</b>	<b>We see the need, take action, and guide and empower others.</b>
<b>Courtesy:</b>	<b>We treat others politely and with respect.</b>
<b>Accountability:</b>	<b>We accept responsibility for our actions and hold others responsible for theirs.</b>
<b>Innovation:</b>	<b>We encourage creativity, ingenuity, and responsible risk taking in order to improve our services.</b>
<b>Stewardship:</b>	<b>We embrace the responsibility of managing resources on behalf of the taxpayers.</b>
<b>Partnership:</b>	<b>We involve our customers, stakeholders, and employees as a critical part of our processes and decision-making.</b>
<b>Integrity:</b>	<b>We are honest and adhere to a moral and ethical code of conduct in all of our actions.</b>
<b>Results-Oriented:</b>	<b>We focus on outcomes, solutions, and achievements; streamlining and simplifying where possible.</b>
<b>Pride:</b>	<b>We demonstrate enthusiasm and dedication in everything we do.</b>
<b>Quality:</b>	<b>We provide excellent service and exceptional value.</b>
<b>Initiative:</b>	<b>We act to solve problems and serve our customers.</b>

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## **GOALS**

- Goal 1 – Employees:** Attract, develop, retain and value every employee, our most valuable resource.
- Goal 2 – Statewide Effectiveness:** Strengthen government’s ability to achieve results efficiently and effectively.
- Goal 3 – Reliability:** Maintain the continuity of State government operations to ensure the safe and efficient delivery of government services.
- Goal 4 – Reform:** Fundamentally revamp and streamline statewide programs, eliminate bureaucracy and deliver effective, efficient, transparent, and responsive services.
- Goal 5 – Leadership:** Provide statewide and innovative direction in managing resources and delivering exceptional customer service.
- Goal 6 – Asset Management:** Manage assets and infrastructure to sustain operations and make advancements with proven industry standards.
- Goal 7 – Innovation:** Use modern technology, business systems, data and expertise to enhance results and performance.
- Goal 8 – Partnerships:** Continually develop and enhance internal and external relationships through collaboration and ongoing communication.

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## **STRATEGIC ISSUES**

- **Strategic Issue 1: Attract a Highly Engaged and Highly Motivated Workforce**
- **Strategic Issue 2: Leverage HRIS (Human Resources Information Solution)**
- **Strategic Issue 3: One State – One Procurement Gateway**
- **Strategic Issue 4: Enhance Governmental Mail Security**
- **Strategic Issue 5: Leverage DMS (Document Management System)**
- **Strategic Issue 6: Control & Contain Benefit Costs**
- **Strategic Issue 7: Regulatory Reform**
- **Strategic Issue 8: Implement State Data Center Business Continuity Improvements**
- **Strategic Issue 9: Implement New Statewide Infrastructure and Communications Network**
- **Strategic Issue 10: Expand E-Government Capabilities**
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- **Strategic Issue 12: Implement Statewide Enterprise Resource Planning Solution**
- **Strategic Issue 13: Implement New Government Transformation Office**

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## **Strategic Issue 1: Attract a Highly Engaged and Highly Motivated Workforce**

**Description:** Arizona State government has approximately 35,000 state employees employed in over 95+ state agencies, boards and commissions. The workforce is comprised of a very broad and diverse career field including, but not limited to, information technology, healthcare, attorneys, law enforcement, social services, administrative, engineering, and finance. Like many employers, Arizona state government is facing leaner staffing levels and tighter budgets, and the need to have the right expertise is more critical today than ever.

Demographic shifts will be the biggest single influence on our workforce over the next five years, as increasing numbers of experienced employees may retire or choose to pursue other career opportunities. Our focus moving forward will continue to be on our ability to implement strategies to mitigate anticipated departures of our valuable employees and also to implement recruitment measures to attract top talent.

**Objective(s):** By December 31, 2014, increase average length of service of high performing employees by 5%  
By December 31, 2014, increase turnover of low performing employees by 5%  
By December 31, 2014, increase new hire quality by 5%

**Strategies:** Implement Personnel Reform and revise rules and policies consistent with the reform initiative.

### **Performance Measures:**

- Increased Average Length of Service of High Performing Employees
- Reduced Voluntary Turnover of High Performing Employees
- Increased Turnover of Low Performing Employees
- Increased Promotional Rate for High Performing Employees
- Reduction of Poor Quality Hire (employee leaves before probationary period)
- Increased New Hire Quality
- Increased Employee Engagement (annual statewide survey)



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## Strategic Issue 2: Leverage HRIS

**Description:** Human Resources Information Solution (HRIS) is an integrated enterprise system that processes human resources, payroll, and benefits transactions. Every state agency, with the exception of the universities, relies on HRIS to accurately pay state employees. Every state agency (including the universities) utilizes HRIS to manage health insurance coverage. Currently, HRIS processes information for over 40,000 employees and calculates the State's annual payroll of \$2.5 billion dollars.

Over the past 7 years, ADOA has leveraged HRIS to generate millions of dollars in efficiencies and productivity savings through the deployment of functionality that has streamlined business processes across state government. This functionality includes Employee Self Service, Manager Self Service, Training Administration, Hiring Administration, Electronic Employee Time Entry and On-Line Benefits Open Enrollment.

While most of the focus up to this point has been in generating efficiencies in the areas of human resources, benefits and payroll, there is a significant opportunity to leverage HRIS to generate efficiencies in other lines of business, including such areas as communicating with state employees (one source for email addresses), granting employee badge access to state buildings, monitoring employee gas purchases for state vehicles, and providing a universal resource that allows for "single sign on".

**Objective(s):** By December 2014, generate \$3,000,000 in productivity savings and efficiencies by leveraging HRIS to streamline business processes.

**Strategies:**

- Identify areas that could benefit from leveraging HRIS
- Create a plan for deployment

**Performance Measures:**

- Productivity Savings and Efficiencies Realized

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### **Strategic Issue 3: One State – One Procurement Gateway (Procurement Reform)**

**Description:** To evaluate the current procurement methods, legislation, and organization to modernize and reform existing practices and expand the direct delivery of shared services, customer service and transparency.

**Objective(s):** Strengthen Statewide Contracts Program  
Evaluate and improve procurement methods and legislation to increase government efficiency, reduce redundancy and drive cost savings for tax payers

**Strategies:**

- Market the use of ProcureAZ to political subdivisions
- Conduct market basket studies to compare pricing and contract terms relative to other states and cooperative purchasing programs
- Centralize all statewide contracts to accomplish consistent contract administration and delivery
- Benchmark other governmental procurement practices and analyze and prepare recommendations for proposed legislation
- Centralize procurement positions as a direct report to the State Procurement Administrator

**Performance Measures:**

- By June 30, 2013, achieve an increase of 10% Co-op purchases through ProcureAZ
- By June 30, 2013, centralize 50 statewide contracts and annually identify 2 new statewide contracting opportunities
- By June 30, 2013, implement updated rules and uniform terms conditions
- By September 2013, complete collection of legislative benchmark data
- By December 31, 2013, prepare recommendations regarding proposed legislative changes
- By December 31, 2014, attain One Procurement Gateway

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## **Strategic Issue 4: Enhance Governmental Mall Security**

**Description:** Representatives of the Department of Public Safety (DPS) and the Governor's Office of Homeland Security worked together on a study to evaluate security in the Capitol Mall. They were tasked with: 1) documenting security strategies currently employed, 2) identifying any shortcomings, and 3) making recommendations to address the shortcomings. General Services Division staffers are working closely with DPS, Homeland Security, and the ADOA Director's office to implement many of the study recommendations.

**Objective(s):** By January 1, 2013, address and rectify Capitol Mall issues identified by the Department of Public Safety and the Governor's Office of Homeland Security

**Strategies:** Utilize federal grant funding via Arizona Office of Homeland Security to address and rectify Capitol Mall issues by the Department of Public Safety and the Governor's Office of Homeland Security

**Performance Measures:**

- By January 1, 2013, rectify security issues identified by the Department of Public Safety (DPS) and the Governor's Office of Homeland Security
- By January 1, 2013, request security audit by the Arizona Counter Terrorism Information Center (ACTIC) to evaluate the effectiveness of the strategic security improvements

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## **Strategic Issue 5: Leverage Document Management System**

**Description:** Improve efficiency and effectiveness of the Risk Management Document Management System, automation of work processes, electronic invoice processing, immediate document availability and archival, enhanced security, and improve disaster recovery

**Objective(s):** Continue development and implementation of Phase II (Workers' Compensation) of Risk Management's Document Management System

**Strategies:** Develop and implement: paperless environment, electronic workflows, interfaces with the State's financial system (AFIS) and medical bill review provider, and an electronic invoice authorization ladder

**Performance Measures:**

- By June 30, 2013, develop and implement interface with medical bill review provider
- By June 30 31, 2013, determine post implementation DMS enhancements

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## Strategic Issue 6: Control & Contain Benefit Costs

**Description:** Health care costs continue to trend upward across the nation, which lead to increased benefit premium costs for the state and its employees and retirees. To further control and contain benefit costs, the State will continue to pursue efficiencies and will work with vendors, reviewing and adjusting the design of the State Health Plan as necessary and shifting the focus to improving the health of the individual through continued expansion of Wellness Programs.

**Objective(s):** Each plan year, manage the benefits offerings such that the premium costs are lower than the national trend

**Strategies:**

- Administer a comprehensive Wellness Program in partnership with the State's health care vendors
- Administer a comprehensive Audit Program to ensure vendor compliance with contract performance standard
- Evaluate annually and adjust as necessary the design of the benefit offering
- Evaluate the potential of self-insuring the dental benefits
- Perform cost benefit analysis to provide health care services versus insurance exchanges and make recommendations by June 30, 2014

**Performance Measures:**

- Member satisfaction with benefit plans
- Percentage of health plan loss ratio  
*(percentage of premium that is attributed directly to health care claims – Federal Requirement is 85% for large plans)*
- Percentage of administrative costs of health plan  
*(amount of total premium that is designated for administrative/operation costs)*
- Medical claims processing accuracy
- Percentage of reserves funded
- Average annual medical cost per covered life
- Maintain health costs lower than the national trend

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## Strategic Issue 7: Successful Implementation of Regulatory Reform

### Description:

Laws 2012, 2<sup>nd</sup> Regular Session, Chapter 352, also known as HB2744, achieved Governor's Regulatory Review Council (Council) regulatory reforms contemplated under ADOA's Five Year Strategic Plan FY2013-2017. Although these reforms were achieved and became law effective August 2, 2012, the Council must implement the reforms including: providing interim guidance; undertaking a rulemaking to revise and establish new provisions; revising forms; updating the Council website; and providing training to agencies subject to the reforms, as more fully described below. For more information on the implementation status of these reforms see <http://www.grrc.az.gov/>.

#### 1. Ensure Public Access to Substantive Policy Statements

- HB2744 provides that each agency shall post on the agency's website "each substantive policy statement currently in use" no implementation by the Council is required.
- HB2744 also requires that agencies certify their compliance with A.R.S. § 41-1091 in its five year rule review reports. To fully implement this requirement the Council must update the rules and procedures for agency substantive policy within the five-year-review report to ensure compliance with A.R.S. § 41-1056(A) (Laws 2012, Ch. 352, § 17). This will be complete with the forthcoming Council rulemaking and staff led revisions to seminar materials used to prepare agency personnel.

#### 2. Augment Council's Authority Regarding Substantive Policy Statements

Pursuant to HB2744 Council now has the ability to originate an A.R.S. § 41-1033 review on its own initiative. Prior to this change, the Council could only take action on an agency policy or practice that was alleged to constitute a rule if a person petitioned the agency and appealed the agency's final decision. Pursuant to HB2744, if the Council receives a petition and at least four Council members request that the matter be heard, the Council will determine whether the agency practice or substantive policy statement constitutes a rule. The statute is largely self-executing. Any further action necessary for implementation will be taken during the rulemaking process or through policy development.

#### 3. Consolidate Reporting Requirements for Agencies and Council

- Numerous revisions to procedures and reporting requirements were fully implemented by HB2744, including consolidation of agency reporting requirements within the five-year-review report provided to Council. Because 2010 statutory revisions added an analysis of whether an agency completed the

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previous five-year review process to A.R.S. § 41-1056, there was no longer a need for agencies to submit a separate report to Council on this subject. Similarly, HB2744's revisions fold reporting under A.R.S. § 41-1091 into the five-year review report, eliminating the need for a separate report.

- Consistent with the legislative intent to ensure public access, Council received new reporting requirements regarding posting of Council actions, which has been fully implemented on Council's webpages. The Council will use information from an existing report submitted to the Secretary of State to create and make available on the website a list of rules approved or returned during the previous twelve month period.

#### **4. Strengthen the Five-Year Review Process**

Three statutory changes from HB2744 are being fully implemented in rule and procedure to require more information from agencies and allow for greater control of the process by the Council.

- After August 2, 2012, an agency will be required to include in a five-year review report rules made pursuant to a full or partial exemption from the Administrative Procedure Act. A.R.S. § 41-1056(A) (Laws 2012, Ch. 352, § 17).
- Council now has the ability to review rules outside of the five-year review process if the review is requested by at least four Council members. A.R.S. § 41-1056(D) (Laws 2012, Ch. 352, § 17). Prior to the statutory revisions, the Council was limited to the "periodic review" provided under A.R.S. § 41-1056(C). Now, the Council may arguably schedule a review of an agency's rules at any time. Existing statutory provisions require the agency to prepare and obtain Council approval of a written report summarizing the agency's findings. A.R.S. § 41-1056(A).
- Council also now has the ability to propose an amendment or repeal of a rule. A.R.S. § 41-1056(E) (Laws 2012, Ch. 352, § 17). Prior to the statutory revisions, the Council had no authority to require agencies to revise out-of-date rules in an expedited manner. If the agency does not amend or repeal a materially flawed rule by the Council's specified date, or an extended date, the rule automatically expires. A.R.S. § 41-1056(G). An agency may include as part of a report the text of a proposed expedited rule, using the new expedited rulemaking procedure in A.R.S. § 41-1027. A.R.S. § 41-1056(B) (Laws 2012, Ch. 352, § 17).

#### **5. Implement the New Statutory Expedited Rulemaking Process**

Council will create the new rules, policies, and procedures necessary to implement the new Expedited Rulemaking Process at A.R.S. § 41-1027 (Laws 2012, Ch. 352, § 9), including creating a new staff seminar to assist agency personnel in utilizing the new rulemaking process over the next year.

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## 6. Implement the New Statutory Petition Processes from the 2012 Reform

Statutory changes from HB2744 add two provisions that allow for petitioning the Council.

- In the first provision, a person regulated by a fee in rule established or increased by exempt rulemaking may petition the Council to establish an expiration date that is later than the standard two year expiration date for fee rules made by exempt rulemaking. A.R.S. § 41-1008(G).
- The second provision allows an agency to petition the Council for a determination that the agency is not required to file an economic, small business, and consumer impact statement before the agency files a proposed rule with the Secretary of State. A.R.S. § 41-1055(E).

These provisions are being fully implemented in rule and procedure to allow the Council to obtain necessary information and explain the process for the new petitions.

**Objective(s):** Implement the 2010 and 2012 legislative reforms of Council’s rulemaking and reporting processes and support Council, agency, and the public understanding and use of the new processes.

**Strategies:**

- Work with the Governor’s Office, Council, state agencies, the business community, and other stakeholders to fully implement the reforms.
- Ensure agencies and other stakeholders are aware of and properly trained to use the reform measures in the rulemaking process.

**Performance Measures:**

- Increase customer satisfaction to 7.0 or better on the annual customer satisfaction survey
- Maintain customer satisfaction at 7.5 or better on the “Voice of the Customer” survey cards
- Increase participation percentage of attendees in GRRC Seminars by 50%



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## **Strategic Issue 8: State Data Center Business Continuity Improvements**

**Description:** The State Data Center (SDC) provides critical services for more than 140 state agencies, boards, commissions, offices, universities, counties and cities. Every year the SDC processes more than \$50 billion worth of transactions and several hundred million other types of transactions.

The SDC is responsible for the daily (24/7/365) operations of the mainframe, open system servers, critical system monitoring, incident management, change management, 99% system availability, help desk, offsite data storage, high speed print services, and enterprise storage.

In 2011, the SDC had suffered several outages that had impacted every customer due to insufficient or aging core infrastructure. The SDC currently does not have the administrative tools to help automate server administration or the server, network and security infrastructure to properly test and ensure changes do not impact customers. The SDC also does not have the resources to implement tools and infrastructure already purchased to address identified issues. Lastly the SDC does not have adequate disaster recovery resources to ensure mission critical and essential business capabilities will not fail. The SDC needs to reduce the risk of failure.

**Objective(s):** Continue technical assessment of core infrastructure  
Identify alternative disaster recovery facility by January 2013  
Implement core infrastructure improvements identified in technical assessment  
Address Uninterrupted Power Supply (UPS); Power Distribution; Server,  
Network and Security development and testing environments

**Strategies:**

- Partner with the Department of Economic Security and the Department of Public Safety to establish multi agency Mainframe Disaster Recovery Strategy
- Create SDC Executive Steering Committee – this committee of customers and stakeholders will drive the SDC roadmap, pricing models and change management processes
- Augment staffing and skills with outside professional services to complete projects for mission critical and essential systems

**Performance Measures:**

- Project Completion
- Server, Co-Location and Storage Capacity
- Core Services Uptime – Service Level Agreements
- Incident Management

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## **Strategic Issue 9: Implement New Statewide Infrastructure and Communications Network**

**Description:** The mission of the Enterprise Infrastructure and Communications (EIC) Office within ADOA is to ensure that the State of Arizona has a cost effective, efficient and consolidated shared telecommunications infrastructure to meet the needs of government agencies, their employees and the public. ADOA is approaching the final year of the state's telecommunications contract with the vendor responsible for implementing the initial network capabilities.

Over the course of 2011-2012, ADOA will be selecting a new technology partner to enhance the current network to ultimately reduce telecommunications costs, improve service levels and security, and develop disaster recovery programs to ensure business continuity for its employees and citizens.

**Objective(s):** Telecommunications Expense Management (TEM) – The State seeks benefits of successful implementation of the Telecommunications Expense Management (TEM) providing a high value, low cost fixed priced contract. The requirements for the TEM provider must have extensive experience in carrier and cellular management, billing dispute resolution and complex billing.

Voice and Network – The State seeks the benefits of successful implementation of voice and data network services that include cost-effectiveness; improved voice and network security and performance measures; increased efficiencies while reducing costs.

**Strategies:** Telecommunications Expense Management

- Transition new voice and network provider(s) pricing

Voice and Network Services

- Successful transition of voice and network service providers
- Prioritize refreshment strategies
- Implement refreshment strategies

### **Performance Measures:**

- Customer satisfaction with voice telecommunications services
- Customer satisfaction with State's Level 1 Help Desk
- Customer satisfaction with Statewide Telecommunications Contract services (AZNET II)
- Customer satisfaction with connectivity to the Wide Area Network (MAGNET)
- Customer satisfaction with carrier services

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- Customer satisfaction with Telecommunications Expense Management services
  - Percentage of time primary components of Network are available and accessible
  - Customer satisfaction with support for new or upgraded telecommunications

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## Strategic Issue 10: Expand E-Government Capabilities

**Description:** The Strategic Transformation and Innovation (STI) Office within ADOA is responsible for managing several, large statewide programs such as e-Government. As part of the overall e-Government strategy, STI maintains the Arizona web portal, which is the platform for providing a variety of services to state employees and citizens. In today's rapidly changing world of technology, citizens expect to have access to the state's services anywhere and at any time.

As part of ADOA's strategic plan, increased focus will be placed on leveraging new web and mobile technologies to enhance the services currently offered via the Arizona web portal. Through the inclusion of new service offerings, as well as adding support for wireless technologies, ADOA will improve the quality, capacity, and velocity of the business services available for all Arizona citizens.

**Objective(s):** Modernize Arizona.gov website  
Consolidate and modernize state Agency websites  
Implement a mobile website platform for mobile applications  
Develop an application marketplace for both state employees and citizens  
Implement E-Check capabilities  
Implement Business One Stop solution  
Implement a digital process automation solution (digital signature, online forms, document management, workflow automation)  
Complete integration of E-Licensing solution with Arizona.gov website

**Strategies:**

- Incorporate a governance model that includes multi-agency participation. An advisory committee will be created and include groups such as the Arizona Commerce Authority, the Governor's office, and a combination of public and private tourism organizations
- Implement a modern web platform with content management capabilities to allow state agencies to update their websites faster and easier. The result will be more accurate information for Arizona citizens that could be accessed anywhere at any time
- Provide valuable services to citizens and generate new revenue opportunities to support and sustain the e-Gov program
- Augment staffing through a combination of public/private relationships

**Performance Measures:**

- Project completion
- Website traffic results (page visits, length of time on website, etc.)
- Number of downloaded applications
- Number of agency websites on single platform (i.e. consolidation)

- 
- Internal customer acquisition and retention

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## **Strategic Issue 11: Accelerate Statewide Enterprise Architecture Adoption**

**Description:** Enterprise Architecture (EA) provides guidance to ensure the reliability, interoperability, and sustainability of the state's IT investments via the enterprise business, information, technology, and solution architectures. EA creates, communicates, and improves the key principles and models that describe the enterprise's future state and enable its evolution.

By leveraging the state's CIO Council, as well as through the facilitation of ongoing EA training, ADOA will emphasize the importance of adopting a statewide EA strategy. Over time, ADOA will implement an enterprise planning methodology, which will result in a holistic framework and process for solving the state's business challenges today and in the future.

### **Objective(s):**

- Provide statewide business and technical EA training
- Implement data governance methodology
- Implement statewide EA planning tool
- Complete a statewide infrastructure assessment
- Complete a technology contract assessment
- Implement a new statewide asset management solution

### **Strategies:**

- Incorporate a governance model that includes multi-agency participation. An advisory committee will be created to ensure all agency projects are aligned with the overall enterprise architecture
- Facilitate ongoing training to educate both technical and business state resources on the important of Enterprise Architecture
- Cross-agency workgroups will be leveraged to complete many of the projects

### **Performance Measures:**

- Project completion
- Implicit acceptance of statewide Enterprise Architecture charter and methodology
- Agency participation in workgroups
- Completion of scheduled training sessions

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## Strategic Issue 12: Implement Statewide Enterprise Resource Planning Solution

**Description:** AFIS is the State's financial system of record. In FY11, it processed over 1.5 million documents and over 9.1 million transactions, totaling \$32.3 billion in revenues and \$31.6 billion in expenditures. This mission-critical system is at significant risk of failure.

- AFIS was installed in 1992 and has no vendor support. The technical architecture of AFIS is incompatible with many newer systems, making the cost of deployment of new functions or interfaces prohibitively high.
- Failure would jeopardize the State's ability to make timely payments to Medicaid and child welfare recipients, State vendors and many others who rely upon disbursements from the State.
- AFIS provides only basic project budgeting and project accounting capabilities, and does not include project scheduling or other project management functionality.
- AFIS reporting capabilities are limited.
- AFIS is not robust enough to meet some of the more complex business needs of some State agencies.

There is increased risk of system failure due to the loss of business and technical expertise. Over the next five years, the State's vulnerability to system disruptions will increase, as a significant number of employees knowledgeable of AFIS become eligible for retirement. The loss of these employees will make AFIS more difficult to maintain and increase the risk of system failure because, as noted previously, AFIS was developed using older technology that is inflexible, and has been modified extensively.

**Objective:** The intent is to evaluate the State's options from a long-term enterprise perspective and implement a strategy that not only replaces AFIS, but also other redundant/shadow systems and change the State's business processes to incorporate the efficiencies and effectiveness enabled by current technology.

**Strategies:**

- To ensure that the solution meets the State's needs
- To coordinate with all State agencies
- To focus on incorporating best practices
- To streamline and standardize business processes
- To monitor project funding and budget
- To implement proper project organization structure including executive sponsorship, Executive Steering Committee, and other agency/stakeholder involvement
- To have relevant oversight by appropriate bodies including the Information Technology Advisory Committee (ITAC) and the Joint Legislative Budget Committee (JLBC)

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- To develop additional, specific strategies to ensure the State's ultimate desired outcomes are achieved within the project's timeframe, scope and resources
  - To utilize various forms of communication to ensure a coordinated effort and identify potential issues
  - To complete Business Case Analysis
  - To complete Request for Proposal (RFP) and Award Contract(s)
  - To meet and implement ERP Implementation Milestones consistent with overall plan

**Performance Measures:**

- Project meets the State's needs
- Project completion on time
- Project completed within budget



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## Strategic Issue 13: Government Transformation Office

**Description:** Advance partnerships with the Government Transformation Office (GTO), within the Department of Administration, focused on implementing a statewide continuous improvement culture.

The GTO will conduct the following activities:

- Implement educational outreach programs and develop agency continuous improvement practitioners
- Work with Government Transformation Committee to identify, prioritize and facilitate agency specific process improvement projects
- Develop a statewide methodology, set of standards and tools
- Implement a centralized repository for sharing all materials
- Support agency led process improvement initiatives
- Define, track and communicate key metrics

**Objective(s):** Over the next two years, the Government Transformation Office will continue to implement an educational outreach program and develop self-sustaining continuous improvement programs in the agencies prioritized by the Government Transformation Committee.

GTO's customers are State agencies of Arizona State government. The Government Transformation Office will deliver value by increasing agencies' capacity to achieve their mission. GTO will be a continuous improvement accelerator that helps agencies train their own workforce to make daily improvements on the processes that serve the citizens of Arizona.

The results of agency partnerships with GTO will create a compelling case for the next administration to continue the formal support of lean efforts in Arizona. The lean transformation for any organization takes many years, but GTO will continue to serve as an accelerator for continuous improvement.

**Strategies:** The Government Transformation Office will improve government processes by identifying best practices that eliminate inefficiencies and redundancies and increase the quality of services provided to Arizona taxpayers. The primary benefit to our agencies of implementing lean principles and methods is increased capacity. With the reduction of non value-added activities, individual resources will have more capacity to engage in activities that align with the agency's core mission. Lean goes beyond simple cost reduction to emphasize the delivery of greater value to taxpayers for their invested tax dollars.

**Performance Measures:**

**Activity Metrics:** The following metrics will report the volume of activity related to continuous improvement occurring across state agencies:

- # of state agencies with active lean efforts reporting results

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- # of lean solutions implemented per agency
  - # of employees completing lean awareness training
  - # of employees completing lean practitioner training

**Impact to Service, Cost, and Quality:** Each process selected for improvement will report benefits in at least one of the categories of service, cost, or quality:

- Service Improvement: customer wait time/process lead time eliminated
- Non Value-added steps removed from government services
- Cost Improvement: dollars saved/cost avoided through implemented solutions
- Quality Improvement: Reduced errors or rework

## Agency Summary

### DEPARTMENT OF ADMINISTRATION

Brian McNeil, Director  
Phone: (602) 542-1500

A.R.S. §§ 41-701,41-1051,41-2501

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
➤ ADMINISTRATION	4,099.2	3,914.2	3,914.2
➤ GENERAL ACCOUNTING	141,744.9	174,454.8	169,835.0
➤ STATE PROCUREMENT	3,973.9	4,391.7	4,391.7
➤ BENEFITS SERVICES DIVISION	716,462.2	658,140.1	795,642.0
➤ HUMAN RESOURCES DIVISION	16,612.6	15,778.0	14,953.9
➤ ARIZONA STRATEGIC ENTERPRISE TECHNOLOGY OFFICE	41,284.3	72,738.5	105,443.2
➤ RISK MANAGEMENT	85,512.1	94,144.3	95,876.3
➤ GENERAL SERVICES DIVISION	51,900.8	67,310.6	72,513.7
<b>Agency Total:</b>	<b>1,061,589.9</b>	<b>1,090,872.2</b>	<b>1,262,570.0</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	15,133.4	30,230.3	38,459.2
Other Appropriated Funds	154,289.5	178,938.0	176,500.0
Other Non Appropriated Funds	892,167.1	881,703.9	1,047,610.8
<b>Total Funding</b>	<b>1,061,589.9</b>	<b>1,090,872.2</b>	<b>1,262,570.0</b>
<b>FTE Positions</b>	<b>769.4</b>	<b>622.3</b>	<b>622.3</b>

**Program Summary**

ADMINISTRATION

Brian McNeil, Director  
Phone: (602) 542-1500  
A.R.S. §§ 41-701, 41-1051, 41-2501

**This Program Contains the following Subprograms:**

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

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	987.5	1,328.5	1,328.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	3,111.7	2,585.7	2,585.7
<b>Total Funding</b>	<b>4,099.2</b>	<b>3,914.2</b>	<b>3,914.2</b>
<b>FTE Positions</b>	<b>54.0</b>	<b>51.0</b>	<b>51.0</b>

**Subprogram Summary**

ADMINISTRATION

Scott A. Smith, Director  
Phone: (602) 542-1500  
A.R.S. §§ 41-701, 41-1051, 41-2501

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	343.4	414.5	414.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	807.0	759.4	759.4
<b>Total Funding</b>	<b>1,150.4</b>	<b>1,173.9</b>	<b>1,173.9</b>
<b>FTE Positions</b>	<b>15.0</b>	<b>12.0</b>	<b>12.0</b>

◆ **Goal 1** To provide leadership, direction and support by delivering world-class customer service

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percentage of ADOA's services with a minimum customer satisfaction rating of 6.0	N/A	80	N/A	85.0	90.0
Percentage response rate to public information and legislative constituent requests within ten business days	0	0	N/A	90.0	93.0

**Subprogram Summary**

GOVERNOR'S REGULATORY REVIEW COUNCIL (GRRC)

Bret H. Parke, ADOA General Counsel  
Phone: (602) 542-2181  
A.R.S. § 41-1001

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	403.5	563.9	563.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>403.5</b>	<b>563.9</b>	<b>563.9</b>
<b>FTE Positions</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

- ◆ **Goal 1** To improve Governor's Regulatory Review Council subprogram operations to ensure the efficient delivery of GRRC staff services to the GRRC Council, and state agencies and their customers and stakeholders.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Agency satisfaction with staff services (Rulemakings and five-year reviews)	8	7.0	7.73	7.80	7.90
Council satisfaction with staff services	7.61	7.0	7.73	7.80	7.90
Agency satisfaction with staff services (Seminars)	7.65	7.0	7.4	7.50	7.60

- ◆ **Goal 2** To focus GRRC staff on customer satisfaction of agencies, boards and commissions and their employees by improving and revising seminars agency report reviews and GRRC staff services to benefit Arizona citizens and businesses utilizing state services.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Improve customer satisfaction to 7.0 or better on the annual customer satisfaction survey	0	0	N/A	7.0	7.0
Improve customer satisfaction to 7.5 or better on the "Voice of the Customer" survey cards	0	0	N/A	7.5	7.5
Increase participation percentage of attendees in GRRC Seminars	0	0	N/A	50.0	50.0

**Subprogram Summary**

EMPLOYMENT AND POPULATION STATISTICS

Paul Shannon, Assistant Director, Budget & Resource Planning  
 Phone: (602) 542-1510  
 ARS §§ 41-1504, 41-1505

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	240.6	350.1	350.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	2,304.6	1,826.3	1,826.3
<b>Total Funding</b>	<b>2,545.3</b>	<b>2,176.4</b>	<b>2,176.4</b>
<b>FTE Positions</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percentage of stakeholders who rated EPS information as very or extremely useful, timely and relevant	85	85	72.1	80	85
Number of demographic website hits	26,503	27,000	30,479	27,500	27,500

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of Labor Market Information trainings	9	9	13	13	13
Number of Labor Market Information website hits	206,598	207,000	276,688	280,000	300,000

**Program Summary**

GENERAL ACCOUNTING

Clark Partridge, State Comptroller  
Phone: (602) 542-5405  
A.R.S. §§ 35-101 et. seq.

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	8,173.9	7,821.2	5,821.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	133,571.0	166,633.6	164,013.8
<b>Total Funding</b>	<b>141,744.9</b>	<b>174,454.8</b>	<b>169,835.0</b>
<b>FTE Positions</b>	<b>80.8</b>	<b>64.0</b>	<b>64.0</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer satisfaction with accounting policies and procedures	N/A	5.5	6.59	6.0	6.0
Percentage of warrants available for distribution by 1:00 PM following the day of processing on Arizona Financial Information System (AFIS)	99.9	99.9	100	99.9	99.9
Percentage of security requests for financial applications processed within three business days	99.9	95	99.9	95	95
Customer satisfaction with the administration of AFIS	N/A	6.0	6.2	6.0	6.0
Customer satisfaction with administration of payroll process	N/A	6.0	6.93	6.0	6.0
Percentage of warrants distributed to correct agency	99.5	99.5	99.5	99.5	99.5

**Program Summary**

STATE PROCUREMENT

Jean Clark, State Procurement Administrator  
 Phone: (602) 542-5511  
 A.R.S. §§ 41-2501 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	1,045.4	1,120.8	1,120.8
Other Appropriated Funds	200.9	288.8	288.8
Other Non Appropriated Funds	2,727.6	2,982.1	2,982.1
<b>Total Funding</b>	<b>3,973.9</b>	<b>4,391.7</b>	<b>4,391.7</b>
<b>FTE Positions</b>	<b>40.8</b>	<b>34.0</b>	<b>34.0</b>

◆ **Goal 1** To ensure the efficiency of state government procurement operations and services

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percentage of solicitations complete by agreed timelines	0	0	N/A	70	73
Number of days to process purchase orders from contracts	0	0	N/A	5	3
Number of days to process non-contract purchase orders	0	0	N/A	10	7

◆ **Goal 2** To ensure the delivery of high quality procurement practices for our agency customers and cooperative procurement members.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Average age of contracts (years)	0	0	N/A	6	5
Percentage increase of cooperative use of contracts	0	0	N/A	2	2
Percentage of total dollar spend from contracts	0	0	N/A	60	65

◆ **Goal 3** To deliver consistent procurement services based upon applicable statutes and rules.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percentage of procurements without upheld appeals	0	0	N/A	99	99
Percentage of total non-competitive procurement spend	0	0	N/A	5	4
Percentage increase of vendor solicitation response rate	0	0	N/A	2	3

**Program Summary**

**BENEFITS SERVICES DIVISION**

Marie Isaacson, Assistant Director  
 Phone: (602) 542-8378  
 A.R.S. §§ 41-702, 38-651 to 38-654

**This Program Contains the following Subprograms:**

- ▶ Benefits Services Operations
- ▶ Benefits Vendor Payments

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3,959.2	5,048.7	5,048.7
Other Non Appropriated Funds	712,503.0	653,091.4	790,593.3
<b>Total Funding</b>	<b>716,462.2</b>	<b>658,140.1</b>	<b>795,642.0</b>
<b>FTE Positions</b>	<b>38.0</b>	<b>35.5</b>	<b>35.5</b>

**Subprogram Summary**

**BENEFITS SERVICES OPERATIONS**

Kathy Peckardt, Interim Assistant Director  
 Phone: (602) 542-8378  
 A.R.S. §§ 41-702, 38-651 to 38-654

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3,959.2	5,048.7	5,048.7
Other Non Appropriated Funds	126.3	157.0	157.0
<b>Total Funding</b>	<b>4,085.5</b>	<b>5,205.7</b>	<b>5,205.7</b>
<b>FTE Positions</b>	<b>38.0</b>	<b>35.5</b>	<b>35.5</b>

◆ **Goal 1** To attract and retain high performing state employees by providing competitive, customer service driven benefits program.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Customer satisfaction with benefit plans	N/A	6.5	7.0	N/A	7.0
<b>Explanation:</b> add in words to title					
Number of state employees attending a Benefit Options Wellness Event	19,856	22,000	22,068	23,000	24,000
Percentage of benefits eligible employees enrolled	91	92	89	90	90
Percentage of customers satisfied with health plan provider-Annual Member Satisfaction	84	85	94	90	90
Percentage of AZ providers/facilities available in networks	91	90	97	95	95
Total lives covered under self-funded health plan	0	0	123,638	124,000	124,000



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of calls/walk-ins assisted by member services	0	0	31,363	31,400	31,400
Percent of performance guarantees met	0	0	97	97	97

**Subprogram Summary**

BENEFITS VENDOR PAYMENTS

Kathy Peckardt, Interim Assistant Director

Phone: (602) 542-8378

A.R.S. §§ 41-702, 38-651 to 38-654

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	712,376.7	652,934.4	790,436.3
<b>Total Funding</b>	<b>712,376.7</b>	<b>652,934.4</b>	<b>790,436.3</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

- ◆ **Goal 1** To provide efficient and cost-effective benefit plan that respects state resources while strengthening state government's ability to recruit and maintain an effective workforce

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percentage of medical plan loss ratio	85	89	81	85	85
Percentage of administrative costs of medical plan	5.2	4.6	4.3	4.5	4.5
Medical claims processing accuracy	0	0	98	98	98
Percent of reserves funded	0	0	100	100	100
Average annual medical cost per covered life	0	0	5,066	5,400	5,800
Health care costs compared to national trend	0	0	94	95	95

**Program Summary**

HUMAN RESOURCES DIVISION

Marie Isaacson, Assistant Director  
 Phone: (602) 542-5482  
 A.R.S. § 41-702

**This Program Contains the following Subprograms:**

- ▶ Human Resource Operations
- ▶ Travel Reduction

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	16,075.4	15,134.9	14,310.8
Other Non Appropriated Funds	537.2	643.1	643.1
<b>Total Funding</b>	<b>16,612.6</b>	<b>15,778.0</b>	<b>14,953.9</b>
<b>FTE Positions</b>	<b>129.3</b>	<b>85.3</b>	<b>85.3</b>

**Subprogram Summary**

HUMAN RESOURCE OPERATIONS

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

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	15,453.6	14,420.8	13,383.7
Other Non Appropriated Funds	56.1	0.0	0.0
<b>Total Funding</b>	<b>15,509.7</b>	<b>14,420.8</b>	<b>13,383.7</b>
<b>FTE Positions</b>	<b>124.0</b>	<b>80.0</b>	<b>80.0</b>

◆ **Goal 1** To provide high quality Human Resources services to agency management and employees

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Percent of services rated "excellent" – biennial survey	0	0	100.0	N/A	100.0
Customer Satisfaction – Voice of Customer Survey	0	0	7.62	7.75	7.75

◆ **Goal 2** To provide human resources programs that are efficient

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
HR costs per employee (in dollars)	0	0	278	342	400
Productivity savings through the use of efficient use of automation-HRIS (cumulative savings in millions of dollars)	0	0	55.3	58.0	61.0
Percent of supervisors trained	0	0	N/A	100.0	100.0

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of employees with performance evaluations	0	0	N/A	100.0	100.0

◆ **Goal 3** To Attract a Highly Engaged and Highly Motivated Workforce

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of the workforce that is uncovered (excluding CO, FAPO)	0	0	23.7	69.0	78.0
Increased average length of service of high performing employees (in years)	0	0	9.7	9.8	9.9
Percent of workforce eligible to retire	0	0	N/A	14.1	17.3
Employee absenteeism (avg number of days of sick leave used)	0	0	8.6	8.5	8.4
Reduced voluntary turnover of high performing employees	0	0	N/A	N/A	N/A
Increased employee engagement (annual statewide survey)	0	0	N/A	N/A	N/A
Percent different in average salaries between state employees and labor market	0	0	17.1	14.5	14.0
Reduction of poor quality hires (employee leaves before probationary period)	0	0	N/A	N/A	N/A
Increased new hire quality	0	0	N/A	N/A	N/A
Increased promotional rate for high performing employees	0	0	N/A	N/A	N/A
Increased turnover of low performing employees	0	0	N/A	N/A	N/A

**Subprogram Summary**

TRAVEL REDUCTION

Abigail Williams, Manager  
 Phone: (602) 542-3638  
 A.R.S. § 49-588

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	621.8	714.1	927.1
Other Non Appropriated Funds	481.1	643.1	643.1
<b>Total Funding</b>	<b>1,102.9</b>	<b>1,357.2</b>	<b>1,570.2</b>
<b>FTE Positions</b>	<b>5.3</b>	<b>5.3</b>	<b>5.3</b>

◆ **Goal 1** To demonstrate leadership and deliver exceptional customer service utilizing a customer centric approach when providing services to Travel Reduction subprogram clientele.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer satisfaction with all Travel Reduction services	N/A	6.5	6.8	N/A	6.5
Customer satisfaction of capitol rideshare customers (monthly)	7.67	7.0	7.6	7.0	7.0

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer satisfaction of travel reduction coordinators (bi-annual)	7.46	7.0	7.52	7.0	7.0

◆ **Goal 2** To obtain and maintain effective partnerships with our customers, state agencies, and outside government entities thereby enhancing results and overall performance

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of commuter club members (carpoolers, transit riders, walkers, bicyclists)	4,184	4,230	4,367	4,410	4,450
Percentage increase in transit riders	-7.5	1.0	2.0	3.0	4.0
Agency sites that achieved their travel reduction goals	N/A	42	42	43	44
Percentage of all state employee commute trips that are drive-alone	N/A	64.4	N/A	64	62.7
Percentage of ADOA employee commute trips that are drive-alone	N/A	60	N/A	60	60
Number of employees spoken to at agency meetings and information tables	2,422	1,550	1,550	1,650	1,750

**Program Summary**

ARIZONA STRATEGIC ENTERPRISE TECHNOLOGY OFFICE

Aaron Sandeen, ADOA Deputy Director

Phone: (602) 364-4770

A.R.S. §§ 41-711, 41-712, 41-713, 41-704

**This Program Contains the following Subprograms:**

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

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	504.0	531.5	5,760.4
Other Appropriated Funds	21,200.7	35,229.8	32,650.9
Other Non Appropriated Funds	19,579.6	36,977.2	67,031.9
<b>Total Funding</b>	<b>41,284.3</b>	<b>72,738.5</b>	<b>105,443.2</b>
<b>FTE Positions</b>	<b>206.4</b>	<b>163.1</b>	<b>163.1</b>

**Subprogram Summary**

ASET OPERATIONS

Donald Hennington, Chief Operations Officer

Phone: (602) 542-1422

A.R.S. §§ 41-711, 41-712, 41-713, 41-704

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	5,228.9
Other Appropriated Funds	16,600.1	22,930.1	21,530.1
Other Non Appropriated Funds	1,004.3	11,125.9	47,402.5
<b>Total Funding</b>	<b>17,604.4</b>	<b>34,056.0</b>	<b>74,161.5</b>
<b>FTE Positions</b>	<b>158.4</b>	<b>122.1</b>	<b>122.1</b>

◆ **Goal 1** To ensure the continuity of mission critical and essential systems.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer satisfaction with information and data security services	N/A	6.3	N/A	6.0	6.5
Customer satisfaction with mainframe processing	N/A	6.5	N/A	6.0	6.5
Percentage of enterprise application development work completed within negotiated timeframe	83	90	N/A	N/A	N/A
Customer satisfaction with co-location	0	0	N/A	6.0	6.5
Customer satisfaction with shared services	0	0	N/A	6.0	6.5
Customer satisfaction with application development	0	0	N/A	6.0	6.5

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Customer satisfaction with end user support	0	0	N/A	6.0	6.5
Percentage of time mainframe batch systems are available	0	0	N/A	99.8	99.9
Percentage mainframe scheduled batch jobs completed on time	0	0	N/A	99	99

**Subprogram Summary**

911 EMERGENCY SERVICES

Barbara Jaeger, State 9-1-1 Administrator  
 Phone: (602) 542-0911  
 A.R.S. § 41-704, 42-5251

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	15,942.4	18,540.0	17,350.0
<b>Total Funding</b>	<b>15,942.4</b>	<b>18,540.0</b>	<b>17,350.0</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

- ◆ **Goal 1** To continue to deploy Wireless Phase II throughout Arizona and maintain continuity of services through equipment upgrades and network enhancements at statewide 9-1-1 centers (Public Safety Answering Points - PSAPs).

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percentage of State PSAPs converted to Wireless Phase II	74	81	78.65	85.0	89.87
Percentage of Phase II based on systems available	91	95	55.0	66.0	83.0
Number of PSAPs Upgraded	25	0	11	0	0

**Subprogram Summary**

ENTERPRISE INFRASTRUCTURE AND COMMUNICATIONS

Gary Hensley, Chief Networking Officer  
 Phone: (602) 542-2250  
 A.R.S. §§ 41-712, 41-713

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,672.9	1,805.2	1,805.2
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,672.9</b>	<b>1,805.2</b>	<b>1,805.2</b>
<b>FTE Positions</b>	<b>18.0</b>	<b>11.0</b>	<b>11.0</b>

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
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<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer satisfaction with voice telecommunications services	N/A	N/A	N/A	6.7	6.8
Customer satisfaction with State's Level 1 Help Desk	N/A	N/A	N/A	6.5	6.7
Customer satisfaction with Statewide Telecommunications Contract services	N/A	5.5	N/A	6.0	6.5
<b>Explanation:</b> Change verbiage to say Customer satisfaction with Statewide Telecommunications Contract services (AZNET II)					
Customer satisfaction with connectivity to the Wide Area Network (MAGNET)	N/A	6.25	6.25	6.4	6.5
Customer satisfaction with carrier services	N/A	N/A	N/A	6.0	6.5
Customer satisfaction with Telecommunications Expense Management services	N/A	N/A	N/A	6.5	6.8

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percentage of time primary components of Network are available and accessible	N/A	N/A	N/A	99.0	99.0
Customer satisfaction with support for new or upgraded telecommunications	N/A	N/A	N/A	6.0	6.5

### Subprogram Summary

#### STRATEGIC TRANSFORMATION AND INNOVATION

Phil Manfredi, Chief Strategy Officer

Phone: (602) 364-4793

A.R.S. §§ 41-711, 41-712, 41-713, 41-704

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	504.0	531.5	531.5
Other Appropriated Funds	2,927.7	10,494.5	9,315.6
Other Non Appropriated Funds	2,632.9	7,311.3	2,279.4
<b>Total Funding</b>	<b>6,064.6</b>	<b>18,337.3</b>	<b>12,126.5</b>
<b>FTE Positions</b>	<b>26.0</b>	<b>26.0</b>	<b>26.0</b>

◆ **Goal 1** To identify, prioritize and deliver more enterprise business capabilities

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Total number of state entities engaged in Enterprise Architecture initiatives	N/A	15	12	20	25
Enterprise Architecture training sessions completed	0	0	1	2	4

◆ **Goal 2** To expand e-Government and mobility capabilities

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Total number of agencies using modern	0	0	0	20	40

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
website technology platform					
Increase visits to AZ.gov (% over prior year)	0	0	N/A	10.0	15.0



**Program Summary**

**RISK MANAGEMENT**

Raymond DiCiccio, Risk Manager  
 Phone: (602) 542-1791  
 A.R.S. §§ 41-621 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	84,354.8	91,919.2	92,884.2
Other Non Appropriated Funds	1,157.3	2,225.1	2,992.1
<b>Total Funding</b>	<b>85,512.1</b>	<b>94,144.3</b>	<b>95,876.3</b>
<b>FTE Positions</b>	<b>88.0</b>	<b>69.0</b>	<b>69.0</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Determination of disability benefits and adjuster approval of compensable benefit payment within 19 days of receipt from the Industrial Commission of Arizona (based on 100% scale)	0	0	N/A	90	95
Workers' Compensation compensable disability payment processing time two business days after adjuster approval (based on 100% scale)	0	0	N/A	90	95
Investigative contact time for property and liability claims within four business days of claim notification (based on 100% scale)	0	0	N/A	90	95
Property and liability settlement payment processing time within four business days after adjuster approval (based on 100% scale)	0	0	N/A	90	95
Agency corrective action plan (not subject to an administrative process) responses for third party liability settlements and judgments in excess of \$150,000 completed within 60 days of payment (based on 100% scale)	0	0	N/A	90	95
Participant satisfaction survey with Loss Prevention training courses (based on a scale of 1-8 with 8 being the best rating)	0	0	N/A	6.5	7
Voice of the Customer satisfaction survey with Loss Prevention consultative services (based on a scale of 1-8 with 8 being the best rating)	0	0	N/A	6.5	7

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Statewide incident rate per 100 Full Time Equivalent (FTE) positions (accepted Risk Management claims)	3.7	5.0	3.83	4.0	4.0

**Program Summary**

GENERAL SERVICES DIVISION

Bill Hernandez, Assistant Director

Phone: (602) 364-2872

A.R.S. §§ 31-253, 35-193, 41-701, 41-791, 41-803, 41-2606(B)

**This Program Contains the following Subprograms:**

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

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	4,422.6	19,428.3	24,428.3
Other Appropriated Funds	28,498.4	31,316.6	31,316.6
Other Non Appropriated Funds	18,979.8	16,565.7	16,768.8
<b>Total Funding</b>	<b>51,900.8</b>	<b>67,310.6</b>	<b>72,513.7</b>
<b>FTE Positions</b>	<b>132.1</b>	<b>120.4</b>	<b>120.4</b>

**Subprogram Summary**

BUILDING, PLANNING, AND FOAM

Nola Barnes, General Manager

Phone: (602) 542-1954

A.R.S. § 41-701

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	625.7	625.7	625.7
Other Appropriated Funds	15,854.5	17,225.5	17,225.5
Other Non Appropriated Funds	14,041.9	14,359.3	14,658.6
<b>Total Funding</b>	<b>30,522.1</b>	<b>32,210.5</b>	<b>32,509.8</b>
<b>FTE Positions</b>	<b>71.4</b>	<b>76.6</b>	<b>76.6</b>

- ◆ **Goal 1** To improve efficient delivery of government services in the Building, Planning, and FOAM subprogram.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer satisfaction with agency relocation process	N/A	6.5	5.14	6.5	6.6
Customer satisfaction with tenant improvement process	N/A	6.5	4.93	6.5	6.6
Customer satisfaction with review of office leases	N/A	6.5	5.62	6.5	6.6
Customer satisfaction with building maintenance	N/A	6.5	5.82	6.5	6.6
Customer satisfaction with heating and cooling maintenance	N/A	6.5	5.38	6.5	6.6

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer satisfaction with custodial services	N/A	6.5	5.5	6.5	6.6
Customer satisfaction with landscaping/grounds maintenance	N/A	6.5	6.6	6.6	6.7

**Subprogram Summary**

CONSTRUCTION SERVICES

Roger Berna, General Manager  
 Phone: (602) 542-6051  
 A.R.S. §§ 41-791, 31-253

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	5,000.0
Other Appropriated Funds	584.2	1,010.7	1,010.7
Other Non Appropriated Funds	3,371.4	633.8	537.6
<b>Total Funding</b>	<b>3,955.6</b>	<b>1,644.5</b>	<b>6,548.3</b>
<b>FTE Positions</b>	<b>9.6</b>	<b>9.5</b>	<b>9.5</b>

◆ **Goal 1** To improve efficient delivery of government services in the Construction Services subprogram.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer satisfaction with general construction projects	N/A	6.5	6.27	6.5	6.6

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percentage of General Construction projects completed on schedule	94.6	95	95.95	96.0	96.5
Percentage of project contingency utilized for non-planned scope	5.4	5.0	N/A	6.0	5.0

**Subprogram Summary**

OTHER SUPPORT SERVICES

Bill Hernandez, Assistant Director  
 Phone: (602) 364-2872  
 A.R.S. §§ 41-101.03, 41-701

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	3,796.9	18,802.6	18,802.6
Other Appropriated Funds	219.3	212.5	212.5
Other Non Appropriated Funds	1,007.3	1,072.6	1,072.6
<b>Total Funding</b>	<b>5,023.4</b>	<b>20,087.7</b>	<b>20,087.7</b>
<b>FTE Positions</b>	<b>10.1</b>	<b>10.1</b>	<b>10.1</b>

◆ **Goal 1** To improve efficient delivery of government services in the Other Support Services subprogram.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
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<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer satisfaction with fixed assets accounting (internal)	N/A	6.5	N/A	6.5	6.6
Customer satisfaction with payroll adjustments and travel form processing (internal)	N/A	6.5	N/A	6.5	6.6
Customer satisfaction with financial and management reporting (internal)	N/A	6.5	N/A	6.5	6.6
Customer satisfaction with the payment of vendors (internal)	N/A	6.5	N/A	6.5	6.6
Number of days to process invoices (Accounts Payable)	0	0	11.2	10	9
Customer satisfaction with Central Services Bureau	N/A	7.0	7.4	7.5	7.5
Overall customer satisfaction with the State Boards Office	N/A	7.3	7.5	7.6	7.6

**Subprogram Summary**

SURPLUS PROPERTY

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

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,370.9	2,826.6	2,826.6
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>2,370.9</b>	<b>2,826.6</b>	<b>2,826.6</b>
<b>FTE Positions</b>	<b>22.0</b>	<b>13.7</b>	<b>13.7</b>

◆ **Goal 1** To improve efficient redistribution/sale of surplus property for the State of Arizona.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer satisfaction with the effectiveness of on-site customer assistance	7.8	7.8	7.85	7.85	7.85
Customer satisfaction with the efficiency of in-field operations	7.9	7.8	7.78	7.8	7.8
Customer satisfaction with Surplus Property	N/A	6.5	6.73	7.0	7.2

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer requests picked up on date committed/agreed upon (1-8 scale).	7.9	7.7	7.76	7.8	7.8

**Subprogram Summary**

MOTOR POOL

David Fruehwirth, Administrator  
 Phone: (602) 542-0601  
 A.R.S. § 41-803

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	9,469.6	10,041.3	10,041.3
Other Non Appropriated Funds	559.2	500.0	500.0
<b>Total Funding</b>	<b>10,028.8</b>	<b>10,541.3</b>	<b>10,541.3</b>
<b>FTE Positions</b>	<b>19.0</b>	<b>10.5</b>	<b>10.5</b>

◆ **Goal 1** To improve efficient delivery of service to Motor Pool subprogram customers.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Customer satisfaction with short-term (day use) vehicle rental	N/A	6.5	6.67	7.0	7.2
Customer satisfaction with long-term vehicle use	N/A	6.5	6.61	7.0	7.2
Average percentage of taxi fleet utilization	0	0	67.08	85	85

# Office of Administrative Hearings

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# The Office of Administrative Hearings Five-Year Strategic Plan

## **Mission Statement**

We will 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**

The Office of Administrative Hearings (OAH) is the main venue for administrative hearings in Arizona. Administrative Law Judges (ALJ's) are assigned, on a temporary or permanent basis, to preside over contested cases.

## **Strategic Issue 1**

**Statement:** Stay up-to-date on Technology

**Discussion:** The OAH is technically sophisticated, and its efficiencies depend on developing, maintaining, and expanding automated technology.

**Challenge:** Technology is constantly changing with new possibilities being presented. In addition, software must be up-dated and equipment replaced in regular rotations.

### **Strategies:**

- a. OAH will regularly survey technological advances through relevant literature.
- b. OAH will consult with other central panel directors regarding technological approaches to the delivery of efficient administrative hearing services.
- c. OAH will replace aging equipment and update software.

**Expected Outcome:** OAH will ensure business continuity.

## **Strategic Issue 2**

**Statement:** To have all agencies exchange documents electronically.

**Discussion:** The Arizona Healthcare Cost Containment System (AHCCCS) and the Registrar of Contractors (ROC) currently exchange all request for hearings, final agency actions, agency records, and ALJ decisions electronically. Other agencies have yet to implement electronic exchange of agency records or final agency actions.

**Challenge:** Some agencies have not yet converted to electronic documents.

### **Strategies:**

- a. OAH will individually contact each agency to encourage movement to full electronic exchange of documents.
- b. OAH will foster relationships among client agencies with differing technological capabilities, including teaming agencies with AHCCCS and ROC to discuss successful strategies in order to facilitate eventual full electronic exchange of documents.

**Expected Outcome:** Both OAH and the target agencies will experience increased efficiency and lower costs.

## **Strategic Issue 3**

**Statement:** To have parties exchange documents electronically.

**Discussion:** Currently, motions are filed electronically through the OAH website. In non-confidential cases parties can use the OAH Portal to research cases, download orders, and review audio records.

**Challenge:** Most orders are transmitted to parties through first-class mail. Although use of e-mail is widespread generally, OAH does not routinely capture and utilize that option in transmitting orders and other communications with the parties.

### **Strategies:**

- a. OAH will more actively solicit email addresses from the public and internally input and utilize those addresses as the preferred method of processing orders.
- b. OAH will revise its on-line forms to require email addresses.



**Expected Outcome:** OAH will increase its efficiency, and parties will receive orders and other communications more rapidly.

#### **Strategic Issue 4**

**Statement:** Fully automate web accessible electronic case files, updated in real time by all parties, to include automatic indexing of exhibits.

**Discussion:** Currently, document intensive cases are managed fully in cyberspace using electronic documents, uploaded by the ALJ and the parties, which are tracked by way of a webpage. These documents include procedural orders, motions, the ALJ decision, the agency final order, and transcripts. Uploading to the OAH webpage is considered service of documents to all other parties, saving copying costs.

**Challenge:** Due to the size and the need to have parties create their own html indexes of their exhibits, parties must submit the documents on cd/dvd for manual uploading. Aside from this inconvenience, parties often create indexes with “relative links” that must be edited by the OAH webmaster.

#### **Strategy:**

OAH will enhance the current web-based program to allow parties to upload a zipped folder of electronic exhibits and create a program that will unzip the uploaded folders and automatically generate an html index.

**Expected Outcome:** Web-based filings will increase, with attendant efficiencies and reduced costs for OAH and the parties.

#### **Strategic Issue 5**

**Statement:** Eliminate paper appeals records

**Discussion:** Currently, electronic appeals records are created for the U.S. District Courts, while the Arizona courts require paper records. Due to the increased filing of documents in electronic form, as well as the automatic conversion of faxes into pdf documents, it is estimated that as of September 28, 2012, more that 75% of documents received by OAH are electronic. In addition, OAH’s case records are now primarily electronic because agency records are now transmitted electronically in most cases by the agencies, ALJ recommended decisions and agency final actions are electronically generally exchanged, and all other paper documents received are being scanned.

**Challenge:** In state appeals, electronic documents must be printed and a hard copy index created properly identifying the name and character of the components of the record; 2) In federal appeals, although many documents are electronic, an html index must still be created with live links to the electronic records.

**Strategies:**

- a. OAH will create a program to automatically generate an html index after extracting the docket event names and associated pdf documents from OAH’s case management system.
- b. OAH will use the electronically generated html index to print documents for the state appeal.
- c. OAH will work with county superior courts to move to filing of electronic appeals records in the same manner as the U.S. District Courts.

**Expected Outcome:** Both OAH and the superior courts will experience increased efficiency and lower costs.

**Resource Assumptions**

Below is a chart for the resource assumptions for OAH, which includes the number of full-time equivalent positions and budgetary data, including all funding sources categorized by General Fund, other appropriated funds, non-appropriated funds that support the strategic plan.

Office of Administrative Hearings Resource Assumptions						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
<b>Full-time equivalent (FTE) Positions</b>	17	17	17	17	17	17
<b>General Fund</b>	808,100.00	808,100.00	808,100.00	808,100.00	808,100.00	808,100.00
<b>Other Appropriated Funds</b>	13,300.00	13,300.00	13,300.00	13,300.00	13,300.00	13,300.00
<b>Non-Appropriated Funds</b>	1,035,600.00	1,035,600.00	1,035,600.00	1,035,600.00	1,035,600.00	1,035,600.00
<b>Federal Funds</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Agency Funds</b>	1,857,000.00	1,857,000.00	1,857,000.00	1,857,000.00	1,857,000.00	1,857,000.00

## Agency Summary

### OFFICE OF ADMINISTRATIVE HEARINGS

Cliff J. Vanell, Director  
 Phone: (602) 542-9853  
 A.R.S. § 41-1092.01

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	839.6	808.1	808.1	808.1
Other Appropriated Funds	14.5	13.3	13.3	13.3
Other Non Appropriated Funds	963.1	1,035.6	1,035.6	1,035.6
<b>Total Funding</b>	<b>1,817.2</b>	<b>1,857.0</b>	<b>1,857.0</b>	<b>1,857.0</b>
<b>FTE Positions</b>	<b>26.0</b>	<b>26.0</b>	<b>26.0</b>	<b>26.0</b>

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average number of days from hearing request to hearing scheduling	1.41	1.41	2.21	2.21	2.21	2.21
Average number of days from hearing scheduling to first scheduled hearing	52.16	52.16	45.36	45.36	45.36	45.36
Average number of days from the first scheduled hearing to the conclusion of the hearing	11.31	11.31	13.99	13.99	13.99	13.99
Average number of days from the conclusion of the hearing to transmission of the decision to the agency	17.20	17.20	15.52	15.52	15.52	15.52
Average length of delay (in days) from first hearing date to conclusion of the case due to continuances	49.84	49.84	48.89	48.89	48.89	48.89
Average length of a single continuance [measured by first continuances only] (in days)	47.51	47.51	45.23	45.23	45.23	45.23
Cases docketed	4996	4996	5850	5850	5850	5850
Number of hearings held	2246	2246	2111	2111	2111	2111
New cases docketed to cases concluded	1:99	1:99	1:92	1:92	1:92	1:92
Hearings conducted by contract administrative law judges	0	0	0	0	0	0
Average days from request for hearing to first date of hearing	53.59	53.59	47.58	47.58	47.58	47.58

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of agency acceptance of findings of fact and conclusions of law (excluding recommended order) without modification	88.72	88.72	86.28	86.28	86.28	86.28
Percent of agency acceptance of findings of fact and conclusions of law (including recommended order) without modification	81.60	81.60	77.19	77.19	77.19	77.19
Percent of OAH decisions contrary to original agency position	7.77	7.77	9.57	9.57	9.57	9.57

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of agency acceptance of contrary Office of Administrative Hearings decision	87.37	87.37	80.00	80.00	80.00	80.00
Percent of agency rejection of OAH decisions	1.24	1.24	2.2	2.2	2.2	2.2
Percent of cases reheard	.7	.7	.98	.98	.98	.98
Percent of cases appealed to Superior Court	2.74	2.74	1.8	1.8	1.8	1.8
Percent of evaluations rating the administrative law judge excellent or good in attentiveness	96.60	96.60	97.93	97.93	97.93	97.93
Percent of evaluations rating the administrative law judge excellent or good in explaining the hearing process	97.15	97.15	97.90	97.90	97.90	97.90
Percent of evaluations rating the administrative law judge excellent or good in the use of clear and neutral language	96.76	96.76	97.49	97.49	97.49	97.49
Percent of evaluations rating the administrative law judge excellent or good in impartiality	94.95	94.95	95.39	95.39	95.39	95.39
Percent of evaluations rating the administrative law judge excellent or good in dealing with the issues of the case	94.63	94.63	96.02	96.02	96.02	96.02
Percent of evaluations rating the office excellent or good in sufficient space	96.04	96.04	96.24	96.24	96.24	96.24
Percent of evaluations rating the office excellent or good in providing freedom from distractions	96.91	96.91	95.71	95.71	95.71	95.71
Percent of evaluations rating the staff excellent or good in responding promptly and completely to questions	95.63	95.63	96.6	96.6	96.6	96.6
Percent of evaluations rating the staff excellent or good in courteous treatment	96.40	96.40	96.11	96.11	96.11	96.11

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average number of weekly requests to website	32,909.80	32,909.80	16885.80	16885.80	16885.80	16885.80
Average number of individual domains accessing the website per week	850.33	850.33	899.22	899.22	899.22	899.22
Advertisements of website capability per month	1141.3	1141.3	1141.3	1141.3	1141.3	1141.3
Publication of new informational articles on internet site	0	0	0	0	0	0
Average number of hits on articles on website per week	3,613.94	3,613.94	596.20	596.20	596.20	596.20
Average number of weekly hits on information page to enter agency portal	344.31	344.31	238.24	238.24	238.24	238.24
Average number of text searches of administrative law judge decisions per week	3.84	3.84	2.49	2.49	2.49	2.49

# Arizona Department of Agriculture

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## **MISSION STATEMENT**

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

## **AGENCY DESCRIPTION**

The Arizona Department of Agriculture regulates agricultural production and processing within the State, educates industry to foster compliance with applicable regulations, promotes the general welfare of the agricultural community, informs the consumer, and protects the public health and safety. The Animal Services Division protects and improves the health, quality, and marketability of Arizona livestock and conducts food quality and safety inspections of meat, dairy and egg products. The Environmental Services Division registers, licenses and samples feed, fertilizer, seed and pesticide companies or products, enforces agricultural pesticide use compliance, trains and certifies pesticide applicators, and enforces native plant laws. The Plant Services Division safeguards agriculture, food and the environment from the risks associated with the entry, establishment and spread of plant pests, diseases and noxious weeds thereby promoting agricultural sustainability, market access and competitiveness. The State Agricultural Laboratory provides forensic, product quality, food safety and other agricultural laboratory analysis, identification, certification and training services to the regulatory divisions of the Department and others. The Citrus, Fruit and Vegetable Standardization Program licenses produce packers, dealers, and shippers, conducts food safety audits, and manages the Federal-State Inspection Program through a cooperative agreement with the United States Department of Agriculture. The Agricultural Consultation and Training (ACT) Program increases voluntary compliance and awareness of regulatory requirements, provides education on pesticide safety, air quality and agricultural conservation, administers two grant programs and provides administrative support for the citrus, lettuce and grain commodity councils and the Agricultural Employment Relations Board.

## STRATEGIC ISSUES

### **Strategic Issue 1: Protect the Food Supply, the Public and the Environment**

Arizona agriculture is a \$10.3 billion industry that benefits major metropolitan areas of the State as well as significantly contributes to the economic well-being of rural communities through employment opportunities, etc. The Arizona Department of Agriculture serves to protect the food supply, the public and the environment. The Department is responsible for safeguarding citizens and the agricultural industry from pests and diseases and assuring the safety of the production, processing and delivery of our food supply including milk, eggs, meat, vegetables and fruits. Increased execution of various trade agreements has resulted in a higher incidence of trade into and out of the United States and, subsequently, Arizona. Many pests common to foreign countries present a significant threat to Arizona's agricultural industry, public well-being and associated quality of life. As more commerce enters Arizona, and significant weather events continue, the risk of introducing plant pests or diseases from other states or foreign countries increases. Emerging animal diseases, some of which affect humans such as Avian Influenza, demand Department emergency preparedness and strengthened bio-security activities. The Department's regulation of the feed, fertilizer, pesticide, meat, dairy and egg industries ensures consumer safety. The Department's Divisions require a well-staffed and well-equipped laboratory to provide the scientific data necessary for meeting the Department's mission.

General Fund budget reductions since FY 2002 have challenged the Department to successfully reengineer itself. The Department's FY 2013 General Fund budget of \$7.9 million is 19% lower than the agency's first budget of \$9.8 million in FY 1991. The reengineering forced the Department to reduce or eliminate several programs. One such program was the agricultural inspections at the State border ports of entry, the elimination of which has resulted in increased infestations within the State's interior. The Department's first budget in FY 1991 relied on the General Fund for 59% of its funding; in contrast, the Department's current, FY 2013 budget relies on the General Fund for only 31% of its funding. Service fees to the agricultural industry provide 46% and federal grants provide the remaining 23% of the Department's revenue. The

Department's increasing dependency on federal funds leaves its ability to perform its duties in the hands of the federal government. Although there are programs that should be funded federally, the main responsibility for maintaining a healthy agricultural industry should be in the hands of the State.

Estimated FY 2013 federal funding is 8% below FY 2012. The Department is extremely concerned with the possibility of a significant reduction in federal grant funds for the next federal fiscal year and in future years. The United States Department of Agriculture's (USDA) budget has been reduced and additional decreases are projected to exceed 15%. To maintain the same level of service, to maintain the same level of food security, to maintain the same support for an industry that generates billions of dollars to Arizona's economy and thousands of jobs, it will be necessary for the State to pick up any slack generated by the decreases in federal funding. And as Arizona grows, additional funds will be needed to meet the challenges of not only a growing population but also increased scrutiny of our food sources.

The General Fund resource assumptions for FY 2016 through FY 2018 reflect that a growing budget will be needed to service a growing population and offset the loss of federal

#### Strategies:

- Recognize, involve and improve communications to constituencies, the public and employees.
- Prioritize and focus on the products and services most critical to serving the public and agricultural constituencies.
- Increase the efficiency of the Department's service delivery processes and systems.
- Align the organizational structure to optimize effectiveness and reduce costs.



## **Strategic Issue 2: Employee Development**

In response to budget reductions since FY 2002, the Arizona Department of Agriculture is operating with 29% leaner staffing levels. Consequently, the need to have employees with the right expertise is more critical today. Furthermore, 34% of the Department's employees will be eligible to retire over the next five years. Our continued focus moving forward will be the implementation of strategies to mitigate the impact of those anticipated departures of our valuable employees and to develop recruitment measures to attract top talent. This includes a review of Department salaries to ensure that they are competitive with other state agencies and public entities.

### Strategies:

- Revise rules and policies consistent with Personnel Reform.
- Conduct a study of Department salaries compared to other state agencies and public entities.
- Develop a strategy for achieving classification and compensation parity with other agencies and public entities.
- Develop an ability to recruit talented, highly qualified employees.
- Work with the Governor's Office to make state employee compensation competitive.

### **Strategic Issue 3: State and Federal Cooperation Required**

State General Funds provide 31% of the Arizona Department of Agriculture's FY 2013 budget, while fees to the agricultural industry for provision of services provide 46%, and federal grants provide 23%. The Department is extremely concerned with the possibility of a significant reduction in federal grant funds for the next federal fiscal year. The United States Department of Agriculture's (USDA) estimated FY 2013 funding is 8% below FY 2012. In addition, further USDA budget reductions are projected to exceed 15%. Many of the Department's programs have been significantly impacted with the current and projected federal funding reductions.

Furthermore, federal agencies have reduced their presence in Arizona. For example, USDA Animal and Plant Health Inspection Service (APHIS) Veterinary Services closed its Arizona office and consolidated its Arizona functions with those of New Mexico at an office based in Albuquerque. Actions like this make it more difficult for our Department and Arizona constituents to receive required federal assistance in a timely manner and it deemphasizes Arizona's specific issues.

As Federal reductions continue, USDA and other federal agencies will increase their reliance on state agency partners. 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 an increasing number of agreements. Required state matching funds for agreements range from 15% to 50% of the grant award and, since the state matching funds must originate from non-federal funding sources, General Fund or industry fee funding must be utilized for the matching dollars.

#### **Strategies:**

- Pursue opportunities for cooperative and collaborative agreements to leverage federal and state funds together to accomplish varied programmatic goals.
- Work with the Governor's Office to minimize the impact of federal budget cuts on Arizona's agricultural engine.
- Work with state and federal officials to help ensure as much federal funding as possible remains available to help the agency protect Arizona's citizens.

#### **Strategic Issue 4: Maintain an Information Technology (IT) System that is Customer Centric**

Every person within the Department is dependent on Information Technology (IT) to carry out legislative mandates. IT is a critical support structure for the Department's regulatory and customer service delivery efforts. In order to achieve its primary mission, the Department must have the ability to keep its IT systems in line with technology advancements that improve security, productivity and stakeholder access, and must have adequate salary structures to retain qualified and competent IT staff to maintain and improve those systems. Key to the Department's mission is the timely dissemination of accurate information through various electronic means to the regulated community, the public, and to our employees. The technology must support up to 315 Department employees including four outlying Department offices and twenty animal health and welfare field staff. Furthermore, the technology must provide web-based services to the thousands of stakeholders served by the Agency throughout the State. Regular equipment replacement schedules, ongoing maintenance and software licensing, and IT staff education and training are essential for the Department to be able to provide consistent, accurate, and timely information to mitigate technology disasters, deal with emergencies, and carry on daily operations in an efficient, secure environment.

##### Strategies:

- Leverage IT resources to provide web-based services to the regulated community.
- Develop the safest, most effective means of delivering electronic information to concerned parties.
- Meet the increasing challenges of data and infrastructure security.
- Identify and prioritize the modernization/replacement of the Department's IT systems.
- Fund regular technology replacement schedules, ongoing maintenance and software licensing.
- Develop a strategy for ensuring commensurate salary funding for IT staff.
- Ensure IT staff members receive necessary training.

Resource Assumptions (agency level)

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
	Appropriation	Budget Request	Budget Request	Estimate	Estimate	Estimate
Full-time-equivalent (FTE)	315.4	315.4	315.4	315.4	315.4	315.4
General Fund	7,927,100	8,073,400	8,062,900	10,373,300	11,672,330	13,036,312
Other Appropriated Funds						
Non-Appropriated Funds	11,887,200	10,736,500	10,365,900	10,365,900	10,365,900	10,365,900
Federal Funds	6,166,300	6,166,300	6,166,300	5,241,400	5,241,400	5,241,400
Total Agency Funds	25,980,600	24,976,200	24,595,100	25,980,600	27,279,630	28,643,612

## Agency Summary

ARIZONA DEPARTMENT OF AGRICULTURE

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

### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ FOOD SAFETY AND QUALITY ASSURANCE	6,869.9	7,252.4	6,989.4	6,889.4
➤ NON-FOOD PRODUCT QUALITY ASSURANCE	781.1	766.1	766.1	766.1
➤ ANIMAL DISEASE, OWNERSHIP AND WELFARE PROTECTION	2,489.2	2,543.1	2,543.1	2,543.1
➤ PEST EXCLUSION AND MANAGEMENT	4,331.9	3,808.6	3,808.6	3,808.6
➤ NATIVE PLANT AND CULTURAL RESOURCES PROTECTION	96.8	208.7	208.7	208.7
➤ PESTICIDE COMPLIANCE AND WORKER SAFETY	677.4	599.4	599.4	599.4
➤ ADMINISTRATIVE SERVICES	1,234.1	1,229.6	1,375.9	1,365.4
➤ STATE AGRICULTURAL LABORATORY	1,304.5	1,334.2	1,334.2	1,334.2
➤ AGRICULTURAL CONSULTATION AND TRAINING	2,551.8	3,628.5	2,766.8	2,496.2
➤ COMMODITY DEVELOPMENT AND PROMOTION	3,842.1	4,610.0	4,584.0	4,584.0
<b>Agency Total:</b>	<b>24,178.8</b>	<b>25,980.6</b>	<b>24,976.2</b>	<b>24,595.1</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	8,133.9	7,927.1	8,073.4	8,062.9
Other Appropriated Funds	2,524.6	0.0	0.0	0.0
Other Non Appropriated Funds	13,520.3	18,053.5	16,902.8	16,532.2
<b>Total Funding</b>	<b>24,178.8</b>	<b>25,980.6</b>	<b>24,976.2</b>	<b>24,595.1</b>
<b>FTE Positions</b>	<b>324.2</b>	<b>315.4</b>	<b>315.4</b>	<b>315.4</b>

**Program Summary**

FOOD SAFETY AND QUALITY ASSURANCE

Leatta McLaughlin, Associate Director  
 Phone: (602) 542-7186  
 A.R.S. §§ 3-101 et seq

**This Program Contains the following Subprograms:**

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

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,431.7	1,371.7	1,371.7	1,371.7
Other Appropriated Funds	1,113.1	0.0	0.0	0.0
Other Non Appropriated Funds	4,325.1	5,880.7	5,617.7	5,517.7
<b>Total Funding</b>	<b>6,869.9</b>	<b>7,252.4</b>	<b>6,989.4</b>	<b>6,889.4</b>
<b>FTE Positions</b>	<b>92.3</b>	<b>92.3</b>	<b>92.3</b>	<b>92.3</b>

**Subprogram Summary**

ANIMAL PRODUCTS FOOD SAFETY AND QUALITY INSPECTION

Dart Easterday, Administrator  
 Phone: (602) 542-0884  
 A.R.S. §§ 3-101 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,431.7	1,371.7	1,371.7	1,371.7
Other Appropriated Funds	804.3	0.0	0.0	0.0
Other Non Appropriated Funds	634.6	1,677.1	1,677.1	1,677.1
<b>Total Funding</b>	<b>2,870.6</b>	<b>3,048.8</b>	<b>3,048.8</b>	<b>3,048.8</b>
<b>FTE Positions</b>	<b>37.4</b>	<b>37.4</b>	<b>37.4</b>	<b>37.4</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of pounds of fluid milk removed from sale by inspectors due to non-compliance with regulations	197,060	200,000	780,049	400,000	200,000	200,000
Number of documented food-borne bacteria outbreaks linked to Arizona state-inspected dairy facilities	0	0	0	0	0	0
Total number of dairy-related inspections	588	600	630	670	630	630
Total number of wholesale and retail egg inspections	1,069	1,600	339	1,000	1,000	1,000
Total number of individual shell eggs inspected under State inspection	293,926	400,000	166,000	200,000	250,000	275,000
Number of egg dozens retained by inspectors for non-compliance with State standards	138,593	200,000	31,406	50,000	75,000	75,000

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of documented food-borne bacteria outbreaks linked to eggs or egg products sold within Arizona	0	0	0	0	0	0
Number of documented food-borne bacteria outbreaks linked to Arizona state-inspected processing or slaughter plants	0	0	0	0	0	0
Number of state meat and poultry facilities	82	82	76	75	75	75
Percent of meat and poultry product tests in compliance with bacteria, drug and chemical residue requirements	99	99	100	100	100	100

**Subprogram Summary**

FRESH PRODUCE STANDARDIZATION AND INSPECTION

Ed Foster, Assistant Director  
Phone: (602) 542-0947  
A.R.S. §§ 3-101 et seq.

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	308.8	0.0	0.0	0.0
Other Non Appropriated Funds	3,690.5	4,203.6	3,940.6	3,840.6
<b>Total Funding</b>	<b>3,999.3</b>	<b>4,203.6</b>	<b>3,940.6</b>	<b>3,840.6</b>
<b>FTE Positions</b>	<b>54.9</b>	<b>54.9</b>	<b>54.9</b>	<b>54.9</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of federal-state inspections	22,674	29,000	19,047	21,000	21,000	21,000
Number of cartons shipped by industry (in millions)	95.1	90	97.9	95	95	95
Number of federal-state and citrus, fruit, and vegetable produce inspections	22,674	29,000	19,047	21,000	21,000	21,000

**Program Summary**

**NON-FOOD PRODUCT QUALITY ASSURANCE**

Jack Peterson, Associate Director  
 Phone: (602) 542-3575  
 A.R.S. §§ 3-101 et seq.

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	759.1	0.0	0.0	0.0
Other Non Appropriated Funds	22.0	766.1	766.1	766.1
<b>Total Funding</b>	<b>781.1</b>	<b>766.1</b>	<b>766.1</b>	<b>766.1</b>
<b>FTE Positions</b>	<b>9.5</b>	<b>8.9</b>	<b>8.9</b>	<b>8.9</b>

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

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Total number of all ESD applications received	30,496	30,000	18,761	18,500	18,500	18,500

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

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Total number of regulatory actions taken	193	200	47	50	50	50
Total number of inspections conducted	111	175	197	200	200	200
Number of feed, fertilizer, pesticide and seed labels inspected in the market place	2,964	3,000	3,536	3,500	3,500	3,500
Number of feed, fertilizer, pesticide and seed samples collected	185	200	478	450	450	450
Number of samples found deficient through laboratory analysis	37	40	12	15	15	15



**Program Summary**

**ANIMAL DISEASE, OWNERSHIP AND WELFARE PROTECTION**

Leatta McLaughlin, Associate Director  
 Phone: (602) 542-7186  
 A.R.S. §§ 3-101 et seq.

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	1,854.7	1,830.8	1,830.8	1,830.8
Other Appropriated Funds	169.5	0.0	0.0	0.0
Other Non Appropriated Funds	465.0	712.3	712.3	712.3
<b>Total Funding</b>	<b>2,489.2</b>	<b>2,543.1</b>	<b>2,543.1</b>	<b>2,543.1</b>
<b>FTE Positions</b>	<b>43.6</b>	<b>43.6</b>	<b>43.6</b>	<b>43.6</b>

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

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of custom exempt and home processing inspections	1,402	1,500	1,018	1,000	1,000	1,000
Number of strays - animal at large investigations	1,258	1,400	1,303	1,300	1,300	1,300
Number of animal care investigations	1,570	1,600	1,599	1,600	1,600	1,600
Number of theft investigations	55	50	57	50	50	50
Number of livestock movement inspections (range cattle form 1)	10,250	10,000	5,969	5,800	5,800	5,800
Number of self inspection certificates issued	22,790	26,000	27,130	26,000	26,000	26,000

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

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of quarantine sites in Arizona for all diseased livestock and fish	4	3	2	3	3	3
Number of cases of secondary spread from quarantine sites of diseased livestock and fish	0	0	0	0	0	0
Number of cases of equine infectious anemia	0	1	0	1	0	0
USDA disease status for Arizona for bovine brucellosis and tuberculosis, and swine pseudo rabies	Free	Free	Free	Free	Free	Free

**Program Summary**

**PEST EXCLUSION AND MANAGEMENT**

G. John Caravetta, Associate Director  
 Phone: (602) 542-0996  
 A.R.S. §§ 3-101 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	2,490.1	2,422.1	2,422.1	2,422.1
Other Appropriated Funds	125.8	0.0	0.0	0.0
Other Non Appropriated Funds	1,716.0	1,386.5	1,386.5	1,386.5
<b>Total Funding</b>	<b>4,331.9</b>	<b>3,808.6</b>	<b>3,808.6</b>	<b>3,808.6</b>
<b>FTE Positions</b>	<b>92.2</b>	<b>88.0</b>	<b>88.0</b>	<b>88.0</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of pest interceptions within the state interior	9,927	10,000	12,075	10,000	10,000	10,000
Number of interceptions resulting in enforcement actions within the state interior	440	500	711	500	500	500
Percent of inspections within the state interior resulting in pest interceptions	9	10	12.5	10	10	10

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of weed management areas established in cooperation with governmental and private entities	14	14	14	14	14	14
USDA rating on Federal pest status of the Fruit Fly in Arizona	Pest-free	Pest-free	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	Pest-free	Pest-free
USDA rating on Federal pest status of the Red Imported Fire Ant in Arizona	Pest-free	Pest-free	Pest-free	Pest-free	Pest-free	Pest-free
USDA rating on Federal pest status of Khapra beetle in Arizona	Pest-free	Pest-free	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	Pest-free	Pest-free

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of federal phytosanitary certificates written	2,028	2,300	1,357	1,500	1,500	1,500

**Program Summary**

**NATIVE PLANT AND CULTURAL RESOURCES PROTECTION**

Jack Peterson, Associate Director  
 Phone: (602) 542-3575  
 A.R.S. §§ 3-101 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	90.7	0.0	0.0	0.0
Other Non Appropriated Funds	6.1	208.7	208.7	208.7
<b>Total Funding</b>	<b>96.8</b>	<b>208.7</b>	<b>208.7</b>	<b>208.7</b>
<b>FTE Positions</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of criminal referrals received	55	25	45	35	35	35
Number of civil referrals received	5	10	32	20	20	20
Number of investigations opened	33	30	54	45	45	45
Percent of investigations completed	48	75	68.5	75	75	75
Number of native plant cases with successful compliance	10	20	17	20	20	20

**Program Summary**

**PESTICIDE COMPLIANCE AND WORKER SAFETY**

Jack Peterson, Associate Director  
 Phone: (602) 542-3575  
 A.R.S. §§ 3-101 et seq.

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	129.9	130.4	130.4	130.4
Other Appropriated Funds	113.0	0.0	0.0	0.0
Other Non Appropriated Funds	434.5	469.0	469.0	469.0
<b>Total Funding</b>	<b>677.4</b>	<b>599.4</b>	<b>599.4</b>	<b>599.4</b>
<b>FTE Positions</b>	<b>11.1</b>	<b>7.6</b>	<b>7.6</b>	<b>7.6</b>

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

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of worker safety issues addressed during inspections	2,940	2,950	4,746	4,500	4,500	4,500
Number of worker safety issues identified as being out of compliance	373	370	310	300	300	300

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

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of pesticide use inspections	160	160	50	60	60	60
Number of inspection issues identified as pesticide misuse	29	28	13	15	15	15

**Program Summary**

ADMINISTRATIVE SERVICES

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

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,038.7	1,013.4	1,159.7	1,149.2
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	195.4	216.2	216.2	216.2
<b>Total Funding</b>	<b>1,234.1</b>	<b>1,229.6</b>	<b>1,375.9</b>	<b>1,365.4</b>
<b>FTE Positions</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of employee travel claims correctly processed within ten days	100	100	99.63	100	100	100
Percent of vendor invoices paid within 30 days	99.4	100	99.66	100	100	100
Administration as a percent of total cost	5.1	5	4.6	4.6	5.4	5.5
Percent of industry stakeholders rating the Department's quality of communications excellent or good	96.78	97	97.5	98	98	98

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
System uptime as a percentage of total monthly hours as measured by industry standard monitoring software	99.85	99.99	99.84	99.99	99.99	99.99
Percent of IT staff certified in their areas of emphasis, i.e. Microsoft MCSE, MCDBA,	66.6	66.6	50	50	50	50
Percent of total license renewals completed through the Department's website	0	20	0	30	35	40
Percent of issues reported by the Customer Service Tracking System closed within 8 working hours of submission	99.3	99	99.9	99	99	99

**Program Summary**

STATE AGRICULTURAL LABORATORY

Doug Marsh, Assistant Director  
 Phone: (602) 744-4924  
 A.R.S. §§ 3-101 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	951.2	924.3	924.3	924.3
Other Appropriated Funds	153.4	0.0	0.0	0.0
Other Non Appropriated Funds	199.9	409.9	409.9	409.9
<b>Total Funding</b>	<b>1,304.5</b>	<b>1,334.2</b>	<b>1,334.2</b>	<b>1,334.2</b>
<b>FTE Positions</b>	<b>19.5</b>	<b>19.5</b>	<b>19.5</b>	<b>19.5</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of customer satisfaction rating regarding the lab's "timely delivery of service"	83	75	75	70	65	65
Percent of overall customer satisfaction rating for laboratory services	94	90	75	75	75	75

◆ **Goal 2** To provide quality purchasing services to all divisions of the Department utilizing the State's new purchasing software system, ProcureAZ.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of purchasing requisitions approved	0	0	1,172	1,200	1,200	1,200
Average number of days taken to complete all levels of approvals for requisitions	0	0	0.43	0.5	0.4	0.4
Percent of requisitions completing the entire approval process within 24 hours	0	0	92	90	93	95

**Program Summary**

**AGRICULTURAL CONSULTATION AND TRAINING**

Brett Cameron, Assistant Director  
 Phone: (602) 542-0984  
 A.R.S. §§ 3-101 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	237.6	234.4	234.4	234.4
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	2,314.2	3,394.1	2,532.4	2,261.8
<b>Total Funding</b>	<b>2,551.8</b>	<b>3,628.5</b>	<b>2,766.8</b>	<b>2,496.2</b>
<b>FTE Positions</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of agricultural consultation and training compliance issues addressed	848	850	741	850	900	950
Number of compliance issues needing correction or clarification	60	65	61	60	63	60
Number of on-site visits or individual consultations	224	265	488	490	450	450
Number of pesticide resources, materials, or contacts provided upon request.	269	250	336	350	375	400
Number of agricultural operations that received training	62	78	97	100	100	100
Number of individuals who received pesticide safety training in English	207	425	280	280	290	300
Number of individuals who received pesticide safety training in Spanish	262	425	355	400	410	420
Number of outreach and education seminars and workshops (including Train-the-Trainer Workshops)	66	56	85	70	55	57
Number of outreach and education seminar and workshop participants (including Train-the-Trainer Workshops)	4,465	3,900	7,083	5,815	4,620	4,820
Number of new outreach and educational materials developed (includes new PPT presentations, training resources, curricula, articles and interviews)	84	72	84	75	75	77
Number of people reached through outreach and education materials (new and existing)	21,917	21,500	302,659	54,400	44,000	45,500
Number of operations receiving assistance	28	30	44	60	45	47
Number of follow-up on-site visits	26	35	17	25	28	32
Number of Farm Bill contract management acres	13,202	21,000	7,309	7,500	8,000	8,000

◆ **Goal 2** To fulfill the purpose of A.R.S. 41-511.23(G) - Livestock and Crop Conservation Grant Program and that of the USDA-Agricultural Marketing Service as authorized by the Specialty Crops Competitiveness Act of 2004.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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Number of grant applications	130	100	34	100	40	40
Number of grants awarded	59	55	15	45	20	20
Amount of grant funds disbursed (in millions of dollars)	2.18	3.59	2.8	3.0	1.7	1.6
Amount of grant funds disbursed as Match to NRCS agreements (in millions of dollars)	0.4	1.97	0.4	0.4	0.4	0.4
Number of acres impacted through grants providing matching funds to NRCS agreements (as contracts are completed).	0	0	270	259	259	259

**Program Summary**

COMMODITY DEVELOPMENT AND PROMOTION

Brett Cameron, Assistant Director  
 Phone: (602) 542-0984  
 A.R.S. §§ 3-101 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	3,842.1	4,610.0	4,584.0	4,584.0
<b>Total Funding</b>	<b>3,842.1</b>	<b>4,610.0</b>	<b>4,584.0</b>	<b>4,584.0</b>
<b>FTE Positions</b>	<b>33.5</b>	<b>33.0</b>	<b>33.0</b>	<b>33.0</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of free sale certificates issued	58	75	72	75	75	75
Number of products under free sale	3,177	3,000	2,565	2,500	2,500	2,500



# AHCCCS

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# AHCCCS STRATEGIC PLAN

## STATE FISCAL YEARS 2013-2017



January 2012  
Thomas J. Betlach, Director

AHCCCS  
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***Our first care is your health care***  
ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

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January 12, 2012

Dear Arizonans:

I am pleased to share with you a copy of the Arizona Health Care Cost Containment System (AHCCCS) Strategic Plan for State Fiscal Years 2013-2017. The Plan was developed within the context of an AHCCCS program in transition. As a result of unprecedented economic pressures AHCCCS has had to implement difficult changes and drive improved efficiency into the program. The FY 2012 total fund decrease in excess of 20% was the largest percentage decrease of any Medicaid program nationally and over two times larger than the next state.

As AHCCCS looks ahead, the agency must move forward with implementing new statutory requirements that impact Medicaid and the broader health care system. While the operational changes must move forward, policymakers and courts continue to debate and discuss these programmatic decisions.

Therefore, the Plan offers four overarching goals, along with their respective strategies and measures, which will guide the overall direction AHCCCS takes over the next five years.

These four goals build on previous accomplishments and represent the collaborative efforts of the AHCCCS leadership team:

- Goal 1. AHCCCS must pursue and implement long term strategies that bend the cost curve while improving the delivery and coordination of care.
- Goal 2. AHCCCS must pursue continuous quality improvement.
- Goal 3. AHCCCS must maintain, leverage and further develop the healthcare service delivery model that emphasizes competition and market forces
- Goal 4. AHCCCS must maintain core organizational capacity and workforce planning that effectively serves AHCCCS operations.

Historically, AHCCCS has served as a model for the efficient and effective use of resources in the delivery of health care to those in need. The challenge during this transitional period is to leverage those opportunities that exist to reduce costs and improve care while maintaining appropriate fiduciary controls over public funds.

The Strategic Plan is intended to carry that momentum forward to meet future challenges.

Sincerely,

Thomas J. Betlach  
Director

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## INTRODUCTION

The AHCCCS Strategic Plan for 2013-2017 begins with statements of the AHCCCS vision and mission, and a description of the Agency's guiding principles. This is followed by an overview of the programs and populations served, a review of accomplishments during the past fiscal year, and a scan of selected environmental circumstances that impact AHCCCS operations and drive strategic planning.

The Plan then presents four inter-related strategic issues, each of which is outlined to describe related goals, strategies to achieve the goals, and performance measures to determine accomplishment of the goals. It is important to remember that these issues are interdependent. Because the strategic issues overlap, effective strategies applied to one issue are often beneficial to another. Further, because of their interdependence, strategies build on each other in support of the overall plan.

### AHCCCS VISION:

Shaping tomorrow's managed health care... from today's experience, quality, and innovation

### AHCCCS MISSION:

Reaching across Arizona to provide comprehensive, quality health care for those in need.

### GUIDING PRINCIPLES:

- A Strategic Plan is the result of a collaborative process and reflects informed planning efforts by the Executive Management Team.
- Health care quality and cost-effectiveness are not mutually exclusive constructs; it is possible to deliver quality care within the context of restricted budgets and resource constraints.
- While AHCCCS continues to focus on maintaining the "core," infrastructure required to be successful (plans, providers and services), the agency must develop long term strategies that can effectively bend the cost curve.
- Success is only possible through the retention and recruitment of high quality staff.
- Program integrity is an essential component of all operational departments and, when supported by transparency, promotes efficiency and accountability in the management and delivery of services.
- AHCCCS must balance the interest of all stakeholders via appropriate decision-making.

## AHCCCS OVERVIEW

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

Unlike programs in other states that rely solely on fee-for-service reimbursement, AHCCCS makes prospective capitation payments to contracted health plans responsible for the delivery of care. The result is a managed care system that mainstreams recipients, allows them to select their providers, and encourages quality care and preventive services. In State Fiscal Year (SFY) 2011, AHCCCS provided health care coverage to over 1.3 million Arizonans. AHCCCS oversees three major programs:

**Table 1. AHCCCS oversees three main programs:**

Program	Number Recipients*	Percent Recipients
AHCCCS Acute Care	1,287,587	95%
Arizona Long Term Care System (ALTCS)	51,727	4%
KidsCare	14,238	1%
TOTAL	1,353,552	100%

\* As of November 1, 2011

### *AHCCCS Acute Care*

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

### *ALTCS*

The Arizona Long Term Care System (ALTCS) provides acute care, behavioral health services, long-term care, and case management to individuals who are elderly, disabled, or developmentally disabled and meet the criteria for institutionalization. Whereas ALTCS members account for less than 4% of the AHCCCS population, they account for approximately 26% of the costs. The ALTCS program encourages delivery of care in alternative residential settings. As in the Acute Care Program, elderly physically disabled and developmentally disabled members of all ages receive care through contracted plans .

### *KidsCare*

The Children's Health Insurance Program (CHIP), referred to as KidsCare, offers affordable insurance coverage for low-income families. Children under age 19 may qualify for the program if their family's income exceeds the limit allowed for Medicaid eligibility, but is below 200% of the Federal Poverty Level (FPL). With the exception of American Indians, who are exempt in accordance with federal law, parents pay a monthly premium based on income. The KidsCare program results in a federal contribution that equates to a \$3.00 federal match for every \$1.00

spent by the State. As with the Medicaid Acute Care Program, American Indian and Alaska Native children may elect to receive care through an AHCCCS-contracted health plan or the American Indian Health Program. The majority of children enrolled in KidsCare, however, is enrolled in AHCCCS health plans and receive the same services available to children in the Medicaid Acute Care Program.

#### *Additional Program Detail*

AHCCCS administers a Freedom to Work Program and a Breast and Cervical Cancer Treatment Program. These are considered Acute Care programs and included in Acute Care Program enrollment numbers.

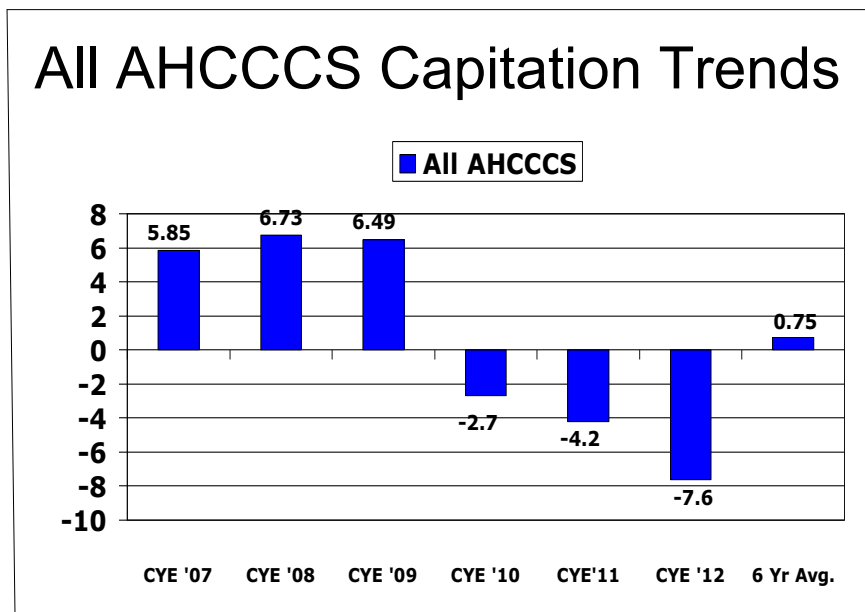
AHCCCS engages in contracts with a number of public and private organizations that provide a variety of services:

- Behavioral health services are provided by the Arizona Department of Health Services (ADHS), Division of Behavioral Health Services (DBHS).
- Services for individuals with developmental disabilities in ALTCS are offered through the Arizona Department of Economic Security (ADES) Division of Developmental Disabilities (DDD).
- Acute health care services for children in foster care are provided by the Arizona Department of Economic Security (ADES), Comprehensive Medical and Dental Program (CMDP).
- Selected administrative services, such as eligibility determination, are performed by ADES.
- Claims payments associated with the Medicaid School Based Claiming (SBC) program are administered by a private third party administrator.

#### **KEY ACCOMPLISHMENTS**

- AHCCCS worked with the Governor's Office in developing a plan that resulted in a reduction of \$1.5 billion in funding while preserving coverage for all enrolled members.
- AHCCCS has successfully implemented \$2.5 billion in budget changes since the beginning of the recession, with little degradation to the provider network and continued plan choice for members.
- AHCCCS has maintained essentially flat per member costs over the past six years. The vast majority of the decreases achieved over the past three years have resulted from short term budget saving changes made to provider reimbursement and benefits. In order to bend the cost curve going forward, the agency is pursuing longer term strategies.

Figure 1. AHCCCS Capitation Trends



- AHCCCS made significant progress pursuing long term strategies to bend the health care cost curve while improving quality outcomes and care coordination, including:
  - System Alignment and Integration – Over the past year AHCCCS has been pursuing a strategy to better align the service delivery model for three unique populations:
    1. *Seriously Mentally Ill* – AHCCCS and ADHS have made significant progress in pursuing a new model for the RBHA system that includes integrated acute care services for individuals with Serious Mental Illness and requires that plans become Medicare Special Needs Plans.
    2. *Children’s Rehabilitative Services* – AHCCCS worked with St. Luke’s Health Initiative and others to gather consumer, family and provider input regarding changes to the CRS model that would integrate more services into the CRS contract.
    3. *Dual Eligible Members* – A new national focus on the challenges associated with the dual eligible population has generated extensive effort on behalf of AHCCCS, which partnered with CMS on pursuing opportunities to better align the delivery model for this typically frail population.
  - Payment Modernization – In support of payment models designed to improve alignment with incentives, AHCCCS is pursuing payment modernization demonstrations with contractors and providers.
  - Exchange – Medicaid Coordination – AHCCCS has followed the Governor’s lead in preparing the state for implementation around the various components of the Affordable Care Act. The Agency completed extensive analyses of the IT infrastructure and has supported state efforts in moving forward with the development of a state exchange and Medicaid expansion. The Agency continues to emphasize care coordination and other opportunities that will be critical in keeping costs down.



- Program Integrity - AHCCCS met the vast majority of the Program Integrity goals established in its annual plan. The Agency implemented a new data analytics tool and worked with prosecutors successfully on 19 different cases. AHCCCS realized over \$960 million as a result of coordination of benefits, third party recoveries, and OIG activities, and began pursuing the ability to leverage private sector expertise on data analyses.
  - Health Information Technology - AHCCCS obtained approval from CMS for the State Medicaid Health Information Technology Plan (SMHP) and began processing payments to eligible hospitals and providers. AHCCCS continues to serve on the Health-E Connection Board and the Health Information Network of Arizona (HINAZ) Board, and entered into agreement with HINAZ to begin using its HIE services.
- AHCCCS successfully managed the Arizona Long Term Care System procurement, which attracted at least three bidders in every Geographical Service Area. The Maricopa County area attracted six bidders. Over 8,000 ALTCS members were transitioned to a new contractor, the average capitation rate decreased (without policy changes), and the Agency successfully defended against 3 formal bid protests.
- AHCCCS had 17 of 25 quality measures exceed the Medicaid Mean for the last measurement period of 2009.
- AHCCCS received approval from the Department of Health and Human Services' Secretary Sebelius for a new 1115 waiver that incorporated the historical flexibilities enjoyed by the program while obtaining some new authority necessary to implement budget changes. The Agency continues to pursue two outstanding waiver issues.
- AHCCCS continued to pursue an improved partnership with Arizona tribes while continuing to engage in strategies that improve the health system for tribal members. Whereas AHCCCS conducted a total of six tribal consultation meetings in 2006, 2007, and 2008, it conducted 13 tribal consultation meetings in the past year alone. AHCCCS also worked extensively with tribal partners on the development of a new reimbursement state plan.
- AHCCCS employee survey indicated a strong positive feeling among staff, despite the many challenges endured by the program over the past few years. A total of 98% of staff believe in the mission; 96% understand what is expected of them; 94% feel a sense of loyalty and commitment; 94% receive the guidance necessary to do their jobs well; 93% are proud to be an AHCCCS employee; 92% believe AHCCCS has a good system in place for communicating necessary information.

## **ENVIRONMENTAL SCAN**

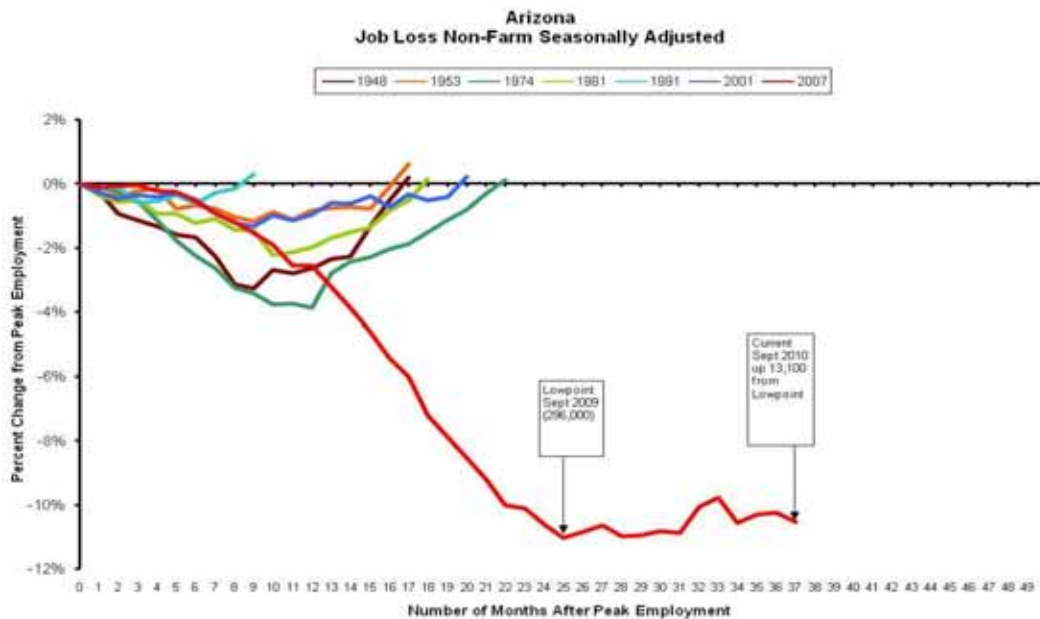
To appreciate the context in which the AHCCCS Strategic Plan was developed, it is helpful to review the environment in which Arizona health care delivery systems operate and the challenges they may face in the future. The scan that follows is not meant to exhaust the multiple over-arching circumstances that impact AHCCCS operations and drive strategic planning.

## Economy

The Arizona economy appears to have stabilized and some modest improved employment trends have materialized. AHCCCS caseloads over the past 12 months have mirrored this trend, remaining relatively unchanged (when adjusting for the impact of populations where enrollment has been frozen).

Figure 2 compares the change in employment that has occurred in Arizona during the past recession with every other recession since World War II. For each recession, the figure details the number of months required to return to the level of employment that existed before the recession began. Clearly the current recession is historical in its impact on employment in Arizona.

**Figure 2. Unemployment Impact on Arizona, 1948-2007**

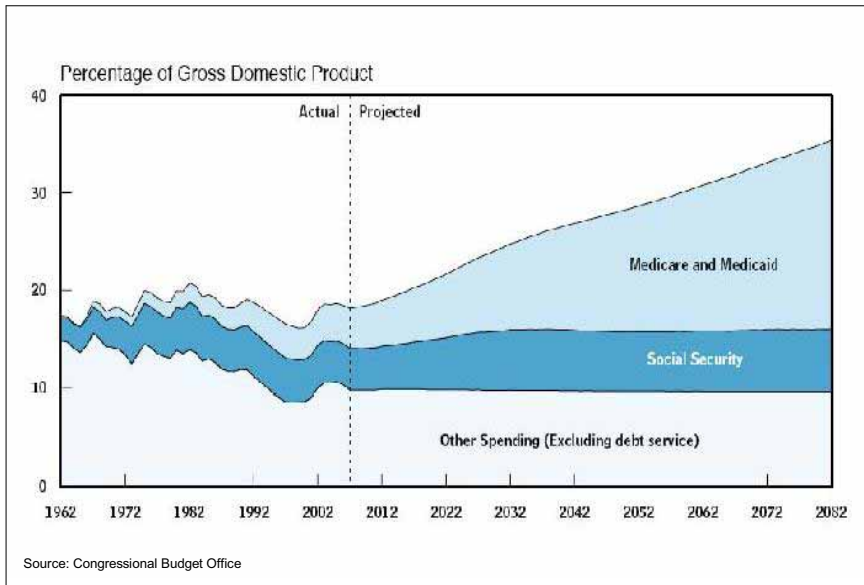


## Federal Budget

Policymakers in Washington DC continue to struggle over how to manage the growing federal debt issue. As depicted in Figure 3, the long term federal fiscal outlook is bleak, with Medicare and Medicaid accounting for the vast majority of the projected growth in federal outlays.

Based on projected growth trends, healthcare will be a dominant topic for policymakers during the next several decades as they look for solutions and strategies that bend the cost curve.

**Figure 3. Federal Spending**



### *Arizona Budget*

As Arizona legislators begin debate over the Fiscal Year 13 budget, a new challenge awaits - a temporary surplus. General Fund revenue has exceeded expectations during the past several months, resulting in a surplus. However, policymakers will also be looking ahead to FY 2014 and FY 2015, when a temporary sales tax expires and the Medicaid expansion is implemented.

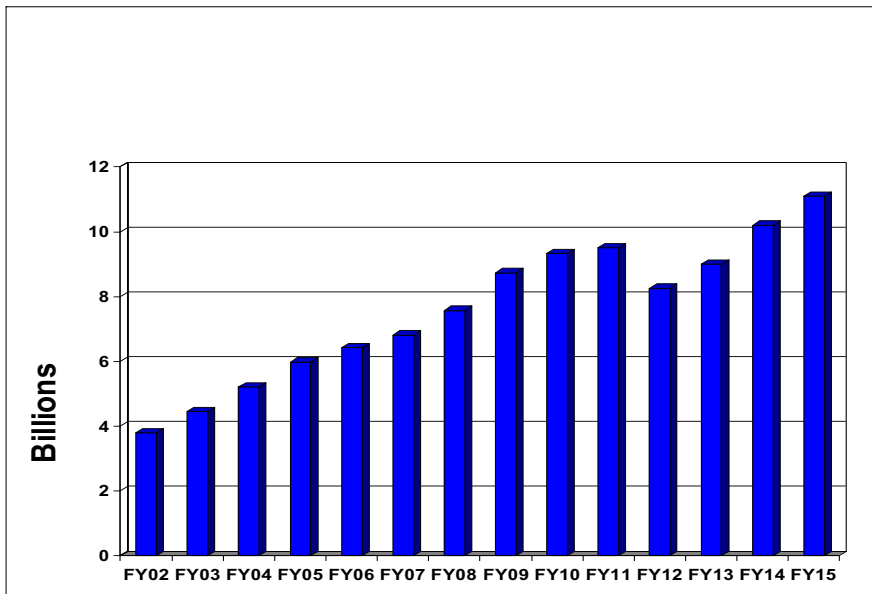
### *AHCCCS Budget*

The Affordable Care Act (ACA) mandates that Medicaid expand coverage to 133% of the federal poverty limit beginning on January 1, 2014. AHCCCS is projecting that this expansion could result in approximately 250,000 individuals enrolling in the program. There are also unknown impacts that may result from some of the more technical eligibility changes that were included in the Act and subsequent proposed regulation.

In addition to the enrollment growth forecasted as part of the expansion, AHCCCS will also be restoring coverage to the adults without children program that has been operating under a freeze since July 2011. This will result in additional adults being enrolled in the program.

As detailed in Figure 4, AHCCCS has projected that spending growth in FY 2014 and FY 2015 will be substantial as a result of the ACA coverage mandates.

**Figure 4. AHCCCS Spending**



*Long Term Cost Curve - Five Important Strategies*

**1. Alignment and Integration**

The current structure of the AHCCCS program remains, in part, an artifact of previous Arizona programs that served a variety of populations, with diverse needs. These populations received services through dedicated programs funded only with State dollars. With the implementation of a State Medicaid program that included federal financial participation, portions of populations who were previously in programs funded only with State money shifted to AHCCCS and, over time, AHCCCS became the primary payer. More recently, however, difficult budgetary decisions have led to the elimination of many remaining “State-only” programs. The changes included in the ACA also will impact coverage and now is an appropriate time to re-evaluate the current structure and pursue opportunities to align and integrate services.

Children’s Rehabilitative Services (CRS) - On January 1, 2011, AHCCCS entered into an Intergovernmental Agreement with ADHS to implement an administrative simplification of the CRS program. No changes were made that impacted the members, providers, or health plan, and full administrative oversight for the program became the responsibility of AHCCCS. In anticipation of an upcoming procurement, discussions with stakeholders have been conducted over the past several months to evaluate and determine the scope of further payer integration for this special needs population.

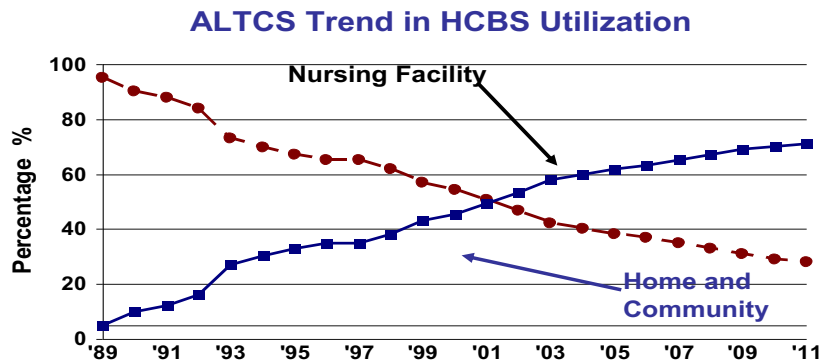
Behavioral Health Services –AHCCCS and ADHS have been collaborating on an effort to integrate and align behavioral and physical health services for individuals with Serious Mental Illness. Efforts are underway to pursue integration both at the clinical as well as administrative levels. Over the past several months input has been sought from consumers, providers and plans on how to best align the program as part of the 2013 Maricopa County procurement.

Dual Eligible Members – AHCCCS has approximately 100,000 individuals who are eligible for both Medicaid and Medicare. When the Medicare Modernization Act was implemented, AHCCCS worked with its contracted managed care organizations to pursue the establishment of Special Needs Plans (SNPs), where the member is enrolled in the same managed care organization for both Medicare and Medicaid. About one-third of the AHCCCS dual population is in an aligned plan structure. AHCCCS has been working with CMS over the past year to pursue opportunities to create even more alignment and care coordination for this frail population.

**2. Payment Modernization**

AHCCCS has had success in the past when payment incentives are properly aligned. For example, when the ALTCS program first began, the vast majority of members resided in nursing facilities. Over time AHCCCS incentivized contractors to establish more home and community placement opportunities for members. The end result has been a tremendous shift to home and community setting which not only results in a tremendous savings for the program but also more appropriately meets the needs and desires of the members.

**Figure 5. Home and Community-Based Services**



One of the biggest challenges facing health care today is that incentives are not aligned for the providers. Even with significant managed care penetration, many providers still are reimbursed through fee-for-service mechanisms. In addition, hospital systems have large facility fixed costs and have business models built around having consumers hospitalized.

*Payment Modernization* - AHCCCS has partnered with plans and providers to pursue payment modernization demonstrations to start reforming reimbursement. This new structure will look to align incentives and allow AHCCCS, plans and providers to share in the benefits that can be generated by managing utilization at the appropriate level of care.

Potentially Preventable Readmissions (PPR) – Medicare has made PPRs a significant quality improvement focus. AHCCCS has started collecting data on Medicaid PPR rates

and will be looking to work with stakeholders to reduce readmission rates for Medicaid members.

*Inpatient Hospital Reimbursement* – AHCCCS currently pays on a per-diem system that was developed using 1996 data. AHCCCS is evaluating the potential of updating the inpatient reimbursement methodology to transition to a Diagnostic Related Grouper Methodology in anticipation of the October 1, 2013, procurement.

### 3. Health Care Reform Coordination

Table 1. Health Care Reform: Population Estimates

## Health Care Reform Est.

	Eligible	Participants
Exchange	621,000	479,000
AHCCCS	431,000	247,000
SHOP Exchange	1,822,000	510,000

Currently the Affordable Care Act mandates the expansion of Medicaid plus the creation of a State Insurance Exchange. While the Governor has participated in the lawsuit against the ACA, she has also begun work on implementing what is the current law of the land.

As depicted in the table above, over 1.0 million Arizonans could get their health care coverage through a combination of the Exchange and Medicaid expansion. On January 1, 2014, an exchange will be available for Arizona residents to purchase insurance, including federally subsidized commercial products for those individuals with incomes up to 400% of the federal poverty limit. States can establish their own exchange or defer to the federal government to run the exchange. AHCCCS must play an important role in the infrastructure of the exchange because federal law requires that anyone applying to the exchange receive initial screening for Medicaid eligibility.

While AHCCCS is participating with other state government agencies in developing the necessary infrastructure to manage an Exchange, the agency is also pursuing opportunities to better coordinate care. Currently, AHCCCS must manage a population with considerable membership churn. Approximately 70,000 individuals enroll and an equal number lose coverage monthly. If the Exchange does become operational, it is imperative that efforts be made to provide care coordination information between the Medicaid program and those plans that participate in the Exchange to best manage utilization and transition of care.

#### **4. Program Integrity**

For the third consecutive year, AHCCCS has developed and published an agency [Program Integrity Plan](#) that lays out a series of goals and objectives that are currently being pursued. This plan is developed by an Executive-level Program Integrity Team that meets on a regular basis to review agency progress.

Given the size and scope of the AHCCCS program, there are program integrity risks at both the member and provider level. AHCCCS is committed to developing strategies and tools to ensure proper oversight of the limited taxpayer resources. Effective program integrity is a critical component of any long term strategy is managing costs.

#### **5. Health Information Technology**

The State [Medicaid Health Information Technology Plan](#) (SMHP), located on the AHCCCS website, describes the Agency's historical, current, and future efforts to improve health outcomes by leveraging electronic health record deployment, adoption, and use by providers. The federal government has made a significant fiscal commitment for the implementation of electronic health records. Medicaid programs are partially responsible for the administration of these incentives. It is incumbent on major payers like Medicaid to leverage the expanding capability of this technology in the healthcare system.

#### *Other Issues*

There are a number of other important issues facing the AHCCCS program over the next several years.

##### American Indian Issues

Over 280,000 American Indians live in Arizona and roughly 50% of this population is enrolled in AHCCCS. On average, American Indians are 19 years younger at death than white non-Hispanics. AHCCCS has made a commitment to work closely with American Indian stakeholders to improve health outcomes and the delivery of care for tribal members. Over the past two years AHCCCS has conducted 25 Tribal consultation meetings. To put that in perspective, from 2006 through 2008, the agency held a total of 6 consultations.

AHCCCS has also focused on providing resources to build the health care infrastructure in Native American communities through the I.H.S. and 638 facilities. Payment to these facilities has grown from \$175 million in FY 2004 to \$410 million in FY 2011. This improves access to care for tribal members and reduces costs in the system by providing more care locally.

##### System Issues

Looking ahead AHCCCS needs to put the final touches on 5010 implementation and then immediately begin work on the complex changes mandated by ICD-10 requirements. With an October 1, 2013, implementation date, states, payers and providers will be scrambling to meet this deadline, which also coincides with significant new requirements imposed by the ACA. System resources will continue to be a challenge and maintaining the appropriate infrastructure to manage and analyze the millions of records generated by the AHCCCS system requires appropriate investment.

### Workforce Issues

As a result of staff shortages, frozen wages, increasing health care costs, an aging workforce and significant business challenges induced through the Affordable Care Act (health care reform legislation), AHCCCS is faced with future prospects that will certainly test the resolve of the Division of Human Resource and Development (HRD) as well as the entire AHCCCS team. Turnover rates are down from the significant layoffs in 2009; however, still trending at approximately 16%. Over 30% of our workforce is Virtual Office with an even higher percentage on some variation of a flexible work schedule. This type of flexibility has proven essential to retention and assisting employees with striking a balance between work and life.

However, some of the areas requiring special focus in the immediate future include increasing AHCCCS' presence in the employment marketplace for purposes of continuing to attract the most qualified applicants, maintaining staff engagement, expanding innovative, low-cost professional development opportunities for existing employees, retaining critical staff; and workforce and succession planning in order to ensure continuity of services and avoid leaving a significant gap in the Agency's knowledge base. Providing creative solutions to address these areas with limited budgetary resources presents the HRD team with a significant challenge. Pulling together to partner with the various AHCCCS business units on creative solutions to the complex workforce issues referenced above will enable the organization to continue providing a positive employment experience for employees in order to continue delivering the very highest quality of services to our members.

## **STRATEGIC GOALS**

### **GOAL 1.**

**AHCCCS must pursue and implement long term strategies that bend the cost curve while improving the delivery and coordination of care.**

#### STRATEGY 1.1

Align and integrate the model for individuals with Serious Mental Illness (SMI), Children's Rehabilitative Services (CRS) and Dual-eligible members

##### PERFORMANCE MEASURE 1.1.1

Percent of individuals with SMI aligned and integrated into the same plan for behavioral health and acute care services

##### PERFORMANCE MEASURE 1.1.2

Percent of CRS members aligned and integrated into the same plan for CRS conditions and acute care services

##### PERFORMANCE MEASURE 1.1.3

Percent of dual-eligible members aligned and integrated into the same plan for Medicare and Medicaid services

#### STRATEGY 1.2

Maintain an actuarially sound annual average capitation rate (per member per month) that meets budgetary expectations



PERFORMANCE MEASURE 1.2.1

Average capitation rate

PERFORMANCE MEASURE 1.2.2

Percent change in average capitation rate (overall per member per month)

STRATEGY 1.3

When cost-effective, pursue non-State funding sources

PERFORMANCE MEASURE 1.3.1

Percentage change in total supplemental payments (i.e., GME/IME, DSH, and Safety Net Care Pool - SNCP) funded by non-State funding sources

STRATEGY 1.4

Maintain and update annual [Program Integrity Plan](#) that improves Third Party Liability (TPL), Coordination of Benefits (COB), and Fraud and Abuse programs

PERFORMANCE MEASURE 1.4.1

Percent of Program Integrity goals met

STRATEGY 1.5

Maintain AHCCCS administrative costs at or below 1% (excludes DES)

PERFORMANCE MEASURE 1.5.1

Percent of AHCCCS Administrative costs

STRATEGY 1.6

Develop new Payment Reform opportunities between health plans and providers

PERFORMANCE MEASURE 1.6.1

Dollar value of Payment Demonstrations

STRATEGY 1.7

Pursue Care Coordination opportunities in System

PERFORMANCE MEASURE 1.7.1

Percentage of Exchange and Medicaid plans exchanging Care Coordination data post a January 1, 2014, implementation

PERFORMANCE MEASURE 1.7.2

Percentage of acute and RBHA encounters shared in the system on January 1, 2014

PERFORMANCE MEASURE 1.7.3

Implementation of new RBHA Care Coordination Requirements

**GOAL 2.**

**AHCCCS must pursue continuous quality improvement**

STRATEGY 2.1

Continue to improve quality in Acute and Long Term programs through accountability and promotion of standard measures

PERFORMANCE MEASURE 2.1.1

Percent of performance measures for the Medicaid population that achieve a statistically significant state-wide improvement

PERFORMANCE MEASURE 2.1.2

Percent of Medicaid population performance measures that meet the contractual minimum performance standard

PERFORMANCE MEASURE 2.1.3

Percent of performance measures for the Medicaid population that are above the NCQA HEDIS National Medicaid Mean

PERFORMANCE MEASURE 2.1.4

Percent of AHCCCS Acute Care and ALTCS contractors that complete AHCCCS-mandated Performance Improvement Plans (PIPs) or demonstrate statistically significant improvement on re-measurements

STRATEGY 2.2

Provide oversight to the Medicaid EHR incentive program and pursue health information exchange strategies for providers, health plans and the agency that support care improvement and cost reduction outcomes.

PERFORMANCE MEASURE 2.2.1

Governance and financial support of the Health Information Network of AZ with approved Medicaid allocable distributions

PERFORMANCE MEASURE 2.2.2

Implementation of HINAZ tools among selected populations

PERFORMANCE MEASURE 2.2.3

Percent of eligible, registered providers (including hospitals) who receive incentive payments as a result of demonstrated meaningful use of EHRs

STRATEGY 2.3

Track quality assurance management and improvement processes through GPRA measures and AIHP claims data in IHS facilities, tribal health programs operated under P.L. 93-638, and Indian health programs for health outcomes trends over time

PERFORMANCE MEASURE 2.3.1

Percent of GPRA measures meeting annual goals in Arizona

**GOAL 3.**

**AHCCCS must maintain, leverage and further develop the healthcare service delivery model that emphasizes competition and market forces**

STRATEGY 3.1

Retain the network of AHCCCS-registered providers available for contracting with AHCCCS Acute Care and ALTCS contractors

PERFORMANCE MEASURE 3.1.1

Percent gaps in ALTCS EPD Attendant Care Services

PERFORMANCE MEASURE 3.3.2

Number of providers leaving the AHCCCS MCO/PIHP networks due to rate-related issues

STRATEGY 3.2

Continue to promote and ensure access to care

PERFORMANCE MEASURE 3.2.1

Percent of AHCCCS Acute Care contractors that meet the minimum contractual performance standards for Children's Access to Primary Care Practitioners (12-24 Months, 25 months-6 years, 7-11 years, 12-19 years)

PERFORMANCE MEASURE 3.2.2

Percent of ALTCS contractors that meet minimum contractual performance standards for Initiation of Services for HCBS members

STRATEGY 3.3

Maintain an infrastructure that encourages competition among contracted health plans and offers choice to members

PERFORMANCE MEASURE 3.3.1

Number of bids submitted for an AHCCCS Acute Care contract

PERFORMANCE MEASURE 3.3.2

Overall system profitability

PERFORMANCE MEASURE 3.3.3

Percent of Acute Care contractors with overall OFR findings  $\geq$  80% "substantial" and "full" compliance

PERFORMANCE MEASURE 3.3.4

Percent of ALTCS contractors with overall OFR findings  $\geq$  80% "substantial" and "full" compliance

STRATEGY 3.4

Obtain authority through the Waiver process to implement SNCP and IHS and 638 facility exemptions

PERFORMANCE MEASURE 3.4.1

Granted authority

STRATEGY 3.5

Work towards development of appropriate eligibility infrastructure for October 1, 2013, implementation.

PERFORMANCE MEASURE 3.5.1

Federal certification of State infrastructure.

STRATEGY 3.6

Maintain an RFP process that promotes quality and cost-effectiveness, and ensures a fair and informed selection among bidders.

PERFORMANCE MEASURE 3.8.1  
Number/percent of prevailing bid protests

STRATEGY 3.9

Maintain compliance with Medicaid Information Technology Architecture (MITA) principles as they relate to new implementations and enhancements

PERFORMANCE MEASURE 3.9.1  
Percent of APDs submitted with MITA principles incorporated

**GOAL 4.**

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

STRATEGY 4.1

Promote use of electronic processes among AHCCCS members, providers and staff

PERFORMANCE MEASURE 4.1.1  
Percent of members submitting on-line applications

PERFORMANCE MEASURE 4.1.2  
Percent of eligibility verifications completed on-line v. through AHCCCS Communications Center

STRATEGY 4.2

Support transparency by reporting timely information on the AHCCCS website

PERFORMANCE MEASURE 4.2.1  
Average number of new topics added per month to content of the AHCCCS website

PERFORMANCE MEASURE 4.2.2  
Average number of visits per month to the AHCCCS website

STRATEGY 4.3

Manage relationships with partnering organizations, including the Centers for Medicare and Medicaid Services (CMS), Arizona Department of Education (ADE), ADHS, ADES, and Hawaii Medicaid

PERFORMANCE MEASURE 4.3.1  
Percent of State Plan Amendments approved

PERFORMANCE MEASURE 4.3.2  
Percent of MCO/PIHP contracts submitted timely to CMS for approval (i.e., at least 30 days prior to beginning of contract year)

PERFORMANCE MEASURE 4.3.3  
Percent of MCO/PIHP contracts approved by CMS prior to beginning of contract year

PERFORMANCE MEASURE 4.3.4  
Maintenance of contract agreement with Hawaii Medicaid

#### STRATEGY 4.4

Continue to manage workforce environment, promoting activities that support employee engagement and retention; and address potential gaps in the organization's knowledge base due to retirements and other staff departures.

##### PERFORMANCE MEASURE 4.4.1

Rate of employee turnover

##### PERFORMANCE MEASURE 4.4.2

Continued development of Agency succession plan and knowledge retention and transfer process

##### PERFORMANCE MEASURE 4.4.3

Percent of vacant positions filled with internal (existing) staff

##### PERFORMANCE MEASURE 4.4.4

Percent of ART goals achieved

##### PERFORMANCE MEASURE 4.4.5

Percent of employees participating in a flexible work environment

##### PERFORMANCE MEASURE 4.4.6

Number of learning and development opportunities offered to employees

##### PERFORMANCE MEASURE 4.4.7

Overall percentage of positive responses from employees derived from the AHCCCS Employee Survey

#### STRATEGY 4.5

Ensure system-wide security and strict compliance with privacy regulations related to all information/data

##### PERFORMANCE MEASURE 4.5.1

Documentation of annual privacy and security assessments and remediation activities

#### STRATEGY 4.6

Maintain IT network infrastructure, including server-based applications, ensuring business continuity

##### PERFORMANCE MEASURE 4.6.1

Network system availability

##### PERFORMANCE MEASURE 4.6.2

Compliance with 5010 standards by mandated date

##### PERFORMANCE MEASURE 4.6.3

Compliance with ICD-10 requirements by mandated date

#### STRATEGY 4.7

Utilize funding opportunities to re-engineer the AHCCCS Customer Eligibility (ACE) system to capitalize on the advantages of a web based system.

PERFORMANCE MEASURE 4.7.1

Approval of Planning-Advanced Planning Document (PAPD) to begin planning for ACE improvements

## Agency Summary

AHCCCS

Thomas J. Betlach, Director  
 Phone: (602) 417-4711  
 A.R.S. § 36-2901 et seq.

### Agency Summary: (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
➤ ADMINISTRATION	132,304.4	141,105.2	147,655.2
➤ AZ LONG TERM CARE SYSTEM (ALTCS)	2,133,126.0	2,158,495.3	2,309,357.6
➤ ACUTE CARE	4,421,452.0	5,130,337.1	5,368,537.7
➤ PROPOSITION 204 - SENATOR ANDREW NICHOLS COMPREHENSIVE HEALTH INSURANCE COVERAGE ACT	1,941,684.0	1,355,335.0	1,672,161.2
➤ HEALTHCARE GROUP	30,078.7	27,271.8	11,816.0
➤ CHILDREN'S HEALTH INSURANCE (CHIP)	34,012.8	73,473.7	39,871.5
➤ DIRECT SERVICE CLAIMING (DSC)	24,889.2	25,404.0	26,398.4
<b>Agency Total:</b>	<b>8,717,547.1</b>	<b>8,911,422.1</b>	<b>9,575,797.6</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	1,402,751.1	1,397,607.3	1,417,141.8
Other Appropriated Funds	168,868.2	151,097.5	166,166.4
Other Non Appropriated Funds	7,145,927.8	7,362,717.3	7,992,489.4
<b>Total Funding</b>	<b>8,717,547.1</b>	<b>8,911,422.1</b>	<b>9,575,797.6</b>
<b>FTE Positions</b>	<b>2,975.4</b>	<b>2,217.3</b>	<b>2,231.3</b>

**Program Summary**

ADMINISTRATION

Thomas J. Betlach, Director  
 Phone: (602) 417-4711  
 A.R.S. Title 36; Title XIX, SSA

**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

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	51,807.9	52,426.1	54,400.9
Other Appropriated Funds	213.7	114.8	114.8
Other Non Appropriated Funds	80,282.8	88,564.3	93,139.5
<b>Total Funding</b>	<b>132,304.4</b>	<b>141,105.2</b>	<b>147,655.2</b>
<b>FTE Positions</b>	<b>2,033.2</b>	<b>1,729.3</b>	<b>1,742.4</b>

**Subprogram Summary**

CENTRAL ADMINISTRATION

Thomas J. Betlach, Director  
 Phone: (602) 417-4711  
 A.R.S. § 36-2901

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	8,473.6	8,383.3	8,440.9
Other Appropriated Funds	213.7	114.8	114.8
Other Non Appropriated Funds	24,438.4	30,419.9	30,255.4
<b>Total Funding</b>	<b>33,125.7</b>	<b>38,918.0</b>	<b>38,811.1</b>
<b>FTE Positions</b>	<b>324.1</b>	<b>262.7</b>	<b>263.7</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of employee turnover	14.6	13.4	15.6	15.0	17.0

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Cost/benefit ratio (in dollars) of audits and investigations related to reports of fraud and abuse.	1/8.80	1/7.77	1/12.15	1/7.77	1/13.35



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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of timely submissions of "Waiver and Special Terms and Conditions" documents, reports, and State Plan Amendments to CMS	100	100	100	100	100

- ◆ **Goal 4** To develop and maintain accurate AHCCCS statutes to ensure compliance with federal and state legal requirements and changes in policy.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of timely submissions and approval of rule packages	100	100	100	100	100

**Explanation:** Twelve packages submitted and approved in FY 2012

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of inquiries acknowledged within three days regarding client service issues	98	90	98	93	95

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of time the PMMIS is available to our users	100	99.0	99.7	99.0	99.0

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of administrative invoices paid within 30 days	97.4	97.0	93.8	95.0	95.0

**Explanation:** Refers to administrative invoices

Percent of total programmatic payments completed electronically	98.3	97.0	98.3	96.0	95.0
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- ◆ **Goal 8** To administer an effective and efficient informal grievance process.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of enrollees filing a grievance	0.2	1.0	0.8	1.0	1.0

### Subprogram Summary

PASS-THRU TO OTHER STATE AGENCIES

Thomas J. Betlach, Director  
 Phone: (602) 417-4711  
 A.R.S. Title 36, Title XIX, SSA

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	27,389.5	26,718.0	28,277.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	32,817.4	34,013.3	37,894.9
<b>Total Funding</b>	<b>60,206.9</b>	<b>60,731.3</b>	<b>66,172.8</b>
<b>FTE Positions</b>	<b>995.9</b>	<b>885.0</b>	<b>885.0</b>

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

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	2,602.3	3,153.6	3,153.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	3,323.1	3,799.0	3,799.0
<b>Total Funding</b>	<b>5,925.4</b>	<b>6,952.6</b>	<b>6,952.6</b>
<b>FTE Positions</b>	<b>81.7</b>	<b>67.2</b>	<b>67.2</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of acute and ALTCS health plan operational and financial reviews completed on time	64	100	40	100	100

**Explanation:** 2012 Actual=40% as only 5 OFRs performed; 3 slightly exceeded 6-wk draft goal

Percent of financial viability issues detected prior to an impact on contract.	100	100	100	100	100
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- ◆ **Goal 2** To ensure the availability and accessibility of AHCCCS health plan providers throughout the state.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of Rural counties with at least two competitive risk health plans available	100	100	100	100	100

**Explanation:** Revised measure as percent

Member satisfaction: percent of choice exercised in moving from current health plan	1.5	4.5	1.5	4.5	4.0
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- ◆ **Goal 3** To improve the completeness and quality of encounter data collected from health plans, program contractors, and behavioral health.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
The number of encounters per member month	5.1	4.5	4.5	4.5	4.5

**Explanation:** Benefit changes, population freezes, etc. may reduce encounters pmpm

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Omission error percent	16.6	11.9	11.9	11.9	11.9
<b>Explanation:</b> Weighted total omission and correctness rate source: FFY in which Data Validation Study completed.					
Correctness error percent	23.9	20.0	13.2	16.0	16.0
<b>Explanation:</b> Weighted total omission and correctness rate source: FFY in which Data Validation Study completed.					

<b>Subprogram Summary</b>	
OFFICE OF MEDICAL MANAGEMENT	
Rebecca Fields, Assistant Director Phone: (602) 417-4411 A.R.S. Title 36; Title XIX, SSA	

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	1,155.7	1,546.1	1,623.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	2,696.3	3,264.5	3,456.9
<b>Total Funding</b>	<b>3,852.0</b>	<b>4,810.6</b>	<b>5,080.6</b>
<b>FTE Positions</b>	<b>76.3</b>	<b>63.1</b>	<b>67.2</b>

◆ **Goal 1** To streamline claims processing

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of Fee-For-Service claims adjudicated within 30 days	97.8	97.0	98.0	97.0	97.0

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

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</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>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Advisory Council On Indian Health Care (ACOIHC): Number of meetings annually	9	6	6	8	10

**Subprogram Summary**

DIVISION OF MEMBER SERVICES

Melanie Norton, Assistant Director  
 Phone: (602) 417-4511  
 A.R.S. Title 36; Title XIX, SSA

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	12,186.8	12,625.1	12,904.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	17,007.6	17,067.6	17,733.3
<b>Total Funding</b>	<b>29,194.4</b>	<b>29,692.7</b>	<b>30,638.1</b>
<b>FTE Positions</b>	<b>555.2</b>	<b>451.3</b>	<b>459.3</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of applications processed on time	84	97	78	97	97
Percent of financial redeterminations processed on time	43	80	37	80	80

**Explanation:** Reduction in staff; Increased applications; renewals are lower priority

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of ALTCS eligibility accuracy as measured by quality control sample	97	97	96	97	97

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Member File Integrity System: percent of timely reconciliation of AHCCCS data with other governmental data bases	99	99	99	99	98

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent accuracy of Communications Center for eligibility and enrollment verifications as measured by internal quality assurance.	95	98	95	98	98

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
ALTCS eligibility case error percent	3	3	2	3	3
Cost avoidance from Predetermination Quality Control Program (in millions)	23.14	15.75	16.93	15.75	17.50

**Program Summary**

AZ LONG TERM CARE SYSTEM (ALTCS)

Jami Snyder, Administrator  
 Phone: (602) 417-4614  
 A.R.S. Title 36; Title XIX, SSA

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	172,933.2	162,699.1	174,196.8
Other Appropriated Funds	4,678.6	6,093.9	6,430.0
Other Non Appropriated Funds	1,955,514.2	1,989,702.3	2,128,730.8
<b>Total Funding</b>	<b>2,133,126.0</b>	<b>2,158,495.3</b>	<b>2,309,357.6</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
ALTCS monthly enrollment	51,224	53,072	52,389	54,143	55,709
Percent of members utilizing home and community based services	72.4	72.0	85.0	86.0	86.0

**Program Summary**

ACUTE CARE

Shelli Silver, Assistant Director  
 Phone: (602) 417-4647  
 A.R.S. Title 36; Title XIX, SSA

**This Program Contains the following Subprograms:**

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

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	869,962.2	966,362.1	1,022,818.9
Other Appropriated Funds	113,887.7	102,037.1	125,932.9
Other Non Appropriated Funds	3,437,602.1	4,061,937.9	4,219,785.9
<b>Total Funding</b>	<b>4,421,452.0</b>	<b>5,130,337.1</b>	<b>5,368,537.7</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Subprogram Summary**

1931(B) ELIGIBILITY FAMILY ASSISTANCE

Melanie Norton, Assistant Director  
 Phone: (602) 417-4511  
 A.R.S. § 36-2901.4(b)

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	312,853.0	346,382.1	366,034.5
Other Appropriated Funds	46,742.4	41,878.6	51,686.0
Other Non Appropriated Funds	1,181,137.2	1,367,993.0	1,466,670.9
<b>Total Funding</b>	<b>1,540,732.6</b>	<b>1,756,253.7</b>	<b>1,884,391.4</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
1931 (b) Eligibility Family Assistance monthly enrollment	410,353	440,998	440,799	460,185	530,345

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
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**Explanation:** Includes Breast and Cervical Cancer population

Percent of well child visits in the first 15 months of life - Early Periodic Screening, Diagnosis and Treatment	63.4	62.0	63.4	65.0	66.0
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**Explanation:** The current HEDIS national mean for Medicaid managed care plans is 45%, so AHCCCS is performing well above the comparable national average.

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

Funding:	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
General Funds	205,070.5	227,048.2	239,930.1
Other Appropriated Funds	30,638.9	27,450.8	33,879.4
Other Non Appropriated Funds	774,217.6	896,698.7	961,380.9
<b>Total Funding</b>	<b>1,009,927.0</b>	<b>1,151,197.7</b>	<b>1,235,190.4</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Supplemental Security Income monthly enrollment	116,195	124,593	124,220	130,734	137,690

**Explanation:** Includes Freedom to Work population

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

Funding:	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
General Funds	41,911.1	46,402.8	49,035.5
Other Appropriated Funds	6,261.8	5,610.2	6,924.1
Other Non Appropriated Funds	158,230.0	183,262.0	196,481.2
<b>Total Funding</b>	<b>206,402.9</b>	<b>235,275.0</b>	<b>252,440.8</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of women receiving cervical screening	60.9	58.0	60.9	58.0	55.0

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
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within a three year period

<b>Subprogram Summary</b>					
SOBRA CHILDREN					
Melanie Norton, Assistant Director					
Phone: (602) 417-4635					
A.R.S. § 36-2901					

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	202,431.6	224,126.5	244,836.8
Other Appropriated Funds	30,244.6	27,097.5	33,443.4
Other Non Appropriated Funds	764,254.9	885,160.0	969,650.3
<b>Total Funding</b>	<b>996,931.1</b>	<b>1,136,384.0</b>	<b>1,247,930.5</b>

<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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◆ **Goal 1** To ensure the management and delivery of quality acute care services to AHCCCS SOBRA-eligible children.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
SOBRA children monthly enrollment	334,673	344,702	323,192	333,755	438,202

**Explanation:** 2014 Estimate includes ACA child expansion (35,473)

Percent of well child visits in the first 15 months of life - Early Periodic Screening, Diagnosis and Treatment	63.4	64.0	63.4	65.0	66.0
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<b>Subprogram Summary</b>					
FEDERAL EMERGENCY SERVICES					
Rebecca Fields, Assistant Director					
Phone: (602) 417-4411					
A.R.S. § 36-2901					

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	30,289.5	33,991.7	36,136.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	61,325.7	66,291.9	72,784.5
<b>Total Funding</b>	<b>91,615.2</b>	<b>100,283.6</b>	<b>108,921.1</b>

<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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◆ **Goal 1** To ensure the management and delivery of emergency services to AHCCCS FES eligibles.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Federal Emergency Services monthly enrollment	47,109	48,998	60,809	73,796	86,782



**Subprogram Summary**

## MEDICARE PREMIUMS

Melanie Norton, Assistant Director  
 Phone: (602) 417-4511  
 A.R.S. § 36-2911

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	37,174.3	41,539.2	42,904.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	91,864.2	99,176.1	109,512.2
<b>Total Funding</b>	<b>129,038.5</b>	<b>140,715.3</b>	<b>152,416.6</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Members enrolled monthly in the Medicare Premiums programs	35,876	38,971	37,923	42,109	46,898

**Subprogram Summary**

## DISPROPORTIONATE SHARE PAYMENTS

Shelli Silver, Assistant Director  
 Phone: (602) 417-4647  
 A.R.S. § 36-2903.01(R)

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	3,186.5	2,977.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	266,053.3	386,757.7	200,003.4
<b>Total Funding</b>	<b>266,053.3</b>	<b>389,944.2</b>	<b>202,980.8</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of dollars recouped after distribution	0	0	0	0	0

**Subprogram Summary**

## FAMILY PLANNING SERVICES

Melanie Norton, Assistant Director  
 Phone: (602) 417-4511  
 A.R.S. § 36-2901

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	65.4	70.7	81.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	586.5	636.5	737.1
<b>Total Funding</b>	<b>651.9</b>	<b>707.2</b>	<b>819.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Family Planning Services monthly enrollment	3,899	4,437	4,219	4,701	5,262

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

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Monthly Enrollment Figure	0	0	NA	NA	NA

**Explanation:** Not identifiable

<b>Subprogram Summary</b>					
GRADUATE MEDICAL EDUCATION					
Shelli Silver, Assistant Director					
Phone: (602) 417-4647					
A.R.S. § 36-2903.01					

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	51,943.2	90,977.3	160,184.9
<b>Total Funding</b>	<b>51,943.2</b>	<b>90,977.3</b>	<b>160,184.9</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of timely payments made to hospitals with GME programs	100	100	100	100	100

**Subprogram Summary**

CHILDREN'S REHABILITATIVE SERVICES

Kari Price, Assistant Director  
 Phone: (602) 417-4625  
 A.R.S. § 36-263

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	40,166.8	43,614.4	40,881.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	87,989.5	84,984.7	82,380.5
<b>Total Funding</b>	<b>128,156.3</b>	<b>128,599.1</b>	<b>123,262.2</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To ensure the management and delivery of quality acute care services to children with complex health care needs

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Percent of Operational Review Standards with which Contractor is in full or substantial compliance	0	0	82	85	85

**Program Summary**

PROPOSITION 204 - SENATOR ANDREW NICHOLS COMPREHENSIVE HEALTH INSURANCE COVERAGE ACT

Melanie Norton, Assistant Director  
 Phone: (602) 417-4511  
 A.R.S. Title 36, Title XIX, SSA

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	300,958.4	210,477.9	162,870.8
Other Appropriated Funds	22,124.5	22,444.0	22,444.0
Other Non Appropriated Funds	1,618,601.1	1,122,413.1	1,486,846.4
<b>Total Funding</b>	<b>1,941,684.0</b>	<b>1,355,335.0</b>	<b>1,672,161.2</b>
<b>FTE Positions</b>	<b>771.1</b>	<b>428.1</b>	<b>428.9</b>

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

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Senator Andrew Nichols Comprehensive Health Insurance Coverage Act monthly enrollment	394,275	302,783	272,330	219,210	337,790

**Program Summary**

HEALTHCARE GROUP

Mark Heck, Assistant Director  
 Phone: (602) 417-6745  
 A.R.S. § 36-2912

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,424.7	2,281.3	1,065.5
Other Non Appropriated Funds	28,654.0	24,990.5	10,750.5
<b>Total Funding</b>	<b>30,078.7</b>	<b>27,271.8</b>	<b>11,816.0</b>
<b>FTE Positions</b>	<b>20.0</b>	<b>14.0</b>	<b>14.0</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Healthcare Group monthly enrollment	8,300	6,892	7,419	5,747	NA

**Explanation:** May be repealed December 31, 2013

**Program Summary**

CHILDREN'S HEALTH INSURANCE (CHIP)

Melanie Norton, Assistant Director  
 Phone: (602) 417-4635  
 A.R.S. § 36-2982

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	7,089.4	5,642.1	2,854.4
Other Appropriated Funds	26,539.0	18,126.4	10,179.2
Other Non Appropriated Funds	384.4	49,705.2	26,837.9
<b>Total Funding</b>	<b>34,012.8</b>	<b>73,473.7</b>	<b>39,871.5</b>
<b>FTE Positions</b>	<b>151.1</b>	<b>45.9</b>	<b>46.0</b>

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
KidsCare monthly enrollment	18,464	12,602	12,236	27,456	1,805

**Explanation:** Includes KidsCareII

Percent of children with access to primary care provider	90.0	90.0	84.4	84.0	85.0
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**Program Summary**

**DIRECT SERVICE CLAIMING (DSC)**

Marc Leib, MD, Chief Medical Officer  
 Phone: (602) 417-4466  
 34 CFR Part 300

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	24,889.2	25,404.0	26,398.4
<b>Total Funding</b>	<b>24,889.2</b>	<b>25,404.0</b>	<b>26,398.4</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Number of participating Local Education Authorities (LEAs)	130	123	126	114	104

# Board of Appraisal

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# Arizona Board of Appraisal 2014-2018 Strategic Plan

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## **Mission Statement:**

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

## **Strategic Issues**

### *Accommodate increased workloads and increase Board efficiency*

Caseload growth has increased by 20% and is projected to increase to 25% by 2018, while appropriation and staff levels have remained relatively flat. In order to accommodate for this growth and increase staff efficiency, the Board has requested in its FY 2014-2015 Budget Request to hire two current temporary positions as full-time FTE. This will help prevent turnover and the staff will become more efficient. Additionally, the Board requested an in-house Investigator who will also be responsible for investigating and summarizing all complaints and overseeing all outsourced investigations. The Board feels that this position will also create significant efficiencies.

### **Strategies:**

1. Evaluate and change complaint process to decrease time it takes to adjudicate complaints
2. Evaluate and change application process to decrease time it takes to process applications
3. Move to a new location that will accommodate staff, Board documents & files and Board meetings.

### *Update Board software and technological capabilities.*

As technology increases in the private sector, the Board has not been able to keep up. The Board plans on spending \$50,000 on technology upgrades in (FY 2014-2016) through current fund balance and also plans on asking for an increased appropriation in FY 2015 for a one-time expenditure for \$40,000.

**Strategies:**

1. Obtain software to enable the Board to accept credit card payments
2. Update website to a “live” website that also allows electronic renewals
3. Update to a sequel server database that can accommodate Board and Public needs

*Follow ever changing Federal and State laws and updating Board statutes and rules*

The Board has to follow Federal requirements. In Laws 2012 Chapter 36, the Board was able to adopt Uniform Standards of Professional Appraisal Practice (USPAP) standards by statute, instead of having to change it in rules every year. While this was very helpful, there are constant changes to state and federal law that the Board must implement and regulates.

**Strategies:**

1. Change legislation and rules to match new criteria and reflect changing market.

**Revenue Assumptions**

	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	5.5	8.0	8.0	8.0	8.0	8.0
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Other Appropriated Funds	\$756,500	\$811,400	\$850,400	\$810,400	\$810,400	\$810,400
Non- Appropriated Funds	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Agency Funds</b>	\$756,500	\$811,400	\$850,400	\$810,400	\$810,400	\$810,400

**Contact Information**

1400 West Washington, Suite 360  
Phoenix, Arizona 85007  
(602) 542-1558 Fax (602) 542-1598  
Email: info@azboa.gov  
Website: www.azboa.gov



**Agency Summary**

BOARD OF APPRAISAL

Debra Rudd, Executive Director

Phone: (602) 542-1593

A.R.S. §§ 32-3601 et seq. Articles 1-5

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	706.7	756.5	811.4	810.4
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>706.7</b>	<b>756.5</b>	<b>811.4</b>	<b>810.4</b>
<b>FTE Positions</b>	<b>5.5</b>	<b>5.5</b>	<b>8.0</b>	<b>8.0</b>

- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of complaints received against appraisers	170	170	195	200	250	275
Number of complaint resolutions	185	185	195	200	250	275
Appraisers with more than one complaint filed	30	30	30	30	30	30

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average days from receipt of application to test approval	60	60	60	60	60	60

- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Disciplinary actions	25	25	25	25	25	25
Recidivism rate for those receiving disciplinary action	10	10	10	10	10	10
Average days from receipt of complaint to resolution	130	130	130	130	130	130
Average annual backlog of noncurrent cases	10	10	10	10	10	10

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Processing days from receipt of registration	10	10	10	10	10	10

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
until name appears on list						
Days from receipt of renewal form until the list is updated	15	10	10	10	10	10
Number of new and existing licensees	2,437	2,341	2285	2,285	2285	2285
Administration as percent of total cost	2	2	2	2	2	2
Customer satisfaction rating (scale 1-8)	7.5	7.5	7.5	7.5	7.5	7.5

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
To adequately register all AMC's as prescribed by SB 1351.	170	180	180	180	180	180

# Commission on the Arts

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Agency Summary

### COMMISSION ON THE ARTS

Robert Booker, Executive Director  
 Phone: (602) 771-6524  
 A.R.S. § 41-982

#### 5-Year Plan: Not Prepared by Agency

#### Mission:

*To foster and stimulate an Arizona where everyone can participate in and experience the arts.*

#### Description:

The Arizona Commission on the Arts is a 47-year old agency of the State of Arizona whose primary functions include providing leadership, programs, services and grants to support the availability and sustainability of arts/culture and arts education programs. These functions are coincident with the agency's statutorily required duties which include (A.R.S. § 41-982, §41-983):

- Stimulating the arts in Arizona by encouraging the study and presentation of the arts as well as encouraging public interest and participation;
- Working with arts organizations in the State to encourage public participation in and appreciation of the arts; and
- Encouraging public interest in the State's cultural heritage and expanding the State's cultural resources.

The Arts Commission is governed by a 15-member, Governor-appointed Commission of unpaid volunteers.

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

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

In addition, in keeping with the arts and culture sector's "matched investment" infrastructure, state arts agencies are required to match their annual NEA grant on a one-to-one basis with a guaranteed allocation of state funds. Since its inception, the Arizona Commission on the Arts has successfully competed for over \$32 million in federal funding, which was delivered through grants, programs and services statewide.

Annually, Arts Commission grants and programs serve 7.5 million people, and 1.5 million Arizona youth are served by Arts Commission-sponsored arts education programs in charter, private and public schools. The Arts Commission maximizes resources in three key areas: Leadership and Partnerships; Programs and Services; and Strategic Funding.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	<u>2,535.5</u>	<u>2,519.2</u>	<u>2,321.0</u>	<u>2,321.0</u>
<b>Total Funding</b>	<b>2,535.5</b>	<b>2,519.2</b>	<b>2,321.0</b>	<b>2,321.0</b>
<b>FTE Positions</b>	<b>12.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Individuals benefiting from programs sponsored by Agency (in thousands)	8,457.0	8,400.00	7,500.00	7,500.00	7,600.00	7,700.00
<b>Explanation:</b> Figures for this measure are compiled in our online grants program (EGOR) and reflect the total number of persons benefitting from programs supported by Arts Commission grants; figures provided by grantees as a part of their annual final reports.						
Number of applications for community-driven projects received/number funded	340/295	320/280	316/300	310/280	300/275	300/275
<b>Explanation:</b> Figures for this measure are compiled in our online grants program (EGOR).						
Number of grant applications submitted by ethnic-run organizations	65	60	53	55	57	60
<b>Explanation:</b> Figures for this measure are compiled in our online grants program (EGOR).						
Percentage of applications submitted by ethnic-run organizations funded	82	85	91	85	87	80
<b>Explanation:</b> Figures for this measure are compiled in our online grants program (EGOR).						
Number of applications submitted by rural applicants	102	85	108	90	93	95
<b>Explanation:</b> Figures for this measure are compiled in our online grants program (EGOR).						
Percentage of applications submitted by rural applicants funded	89	85	92	85	87	90
<b>Explanation:</b> Figures for this measure are compiled in our online grants program (EGOR).						
Number of applications submitted by organizations that did not apply in previous year	70	70	54	40	40	45
<b>Explanation:</b> Figures for this measure are compiled in our online grants program (EGOR).						
Percentage of applications submitted by organizations that did not apply in previous year funded	74	80	91	80	85	87
<b>Explanation:</b> Figures for this measure are compiled in our online grants program (EGOR).						

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of applications submitted for arts education programs/dollar amount funded (in thousands)	85/1,540	90/1,600	85/1,634	80/1,650	85/1,700	90/1,750
<b>Explanation:</b> Figures for this measure are compiled in our online grants program (EGOR).						
Number of individual Arizona youth served by Commission programs and initiatives (in millions)	1.4	1.5	1.5	1.5	1.6	1.6
<b>Explanation:</b> Figures for this measure are compiled in our online grants program (EGOR).						

◆ **Goal 3** To facilitate public and private investment in the arts and culture sector, and support efforts to build recognition of the sector's role in economic viability and enhanced quality of life, such that diverse Arizona stakeholders invest in the arts and

culture sector as partners, supporters and champions.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Total amount of state investment in arts participation opportunities (in thousands)	1,665.7	1,350.0	1,397.2	1,400.0	1,410.0	1,420.0
<b>Explanation:</b> Figures for this measure are constructed by adding the following State monies provided to the Arts Commission: Arts Trust Fund.						
Total amount of other public and private funds leveraged for arts participation opportunities/state investment (in millions)	141/1.1	145/1.1	145/1.4	140/1.3	145/1.3	150/1.4
<b>Explanation:</b> Figures for this measure are constructed as follows: Cumulative statewide arts budgets as entered into our online grants system (EGOR) by grantees/Total State dollars granted to Arizona arts organizations and schools by the Arts Commission.						
Cumulative contributions to Arizona ArtShare including both non-designated funds and contributions to arts organization endowments (in thousands)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Explanation:</b> Figures for this measure are no longer collected, as the Arizona Arts Endowment Fund was eliminated in three separate budget-balancing actions in FY2010 and FY2011. The matching program, which collected data to account for private contributions to arts organizations' endowments, was therefore discontinued.						
Number of public policy forums in which the Commission participates in order to integrate the arts	54	45	54	45	48	50
<b>Explanation:</b> Figures for this measure reflect a subset of total leadership forums Arts Commission staff participate in annually as leaders in the field of arts and culture. This particular measure reflects participation and partnerships in non-arts sectors.						
Number of outreach activities including site visits, public presentations, convenings and technical assistance	519	550	515	520	530	550
<b>Explanation:</b> Figures for this measure are compiled by Arts Commission staff and reflect the total number of workshops, convenings, panels, training sessions and planning meetings led by the Arts Commission; the number of speaking engagements and panels involving Arts Commission staff; and the number of publications presented to the field as technical assistance.						
Number of Arizonans impacted by outreach activities (in thousands)	230.0	240.0	89.9	85.0	90.0	95.0
<b>Explanation:</b> Figures for this measure are compiled by Arts Commission staff and reflect the total number of people participating in workshops, convenings, panels, training sessions and planning meetings led by the Arts Commission; the number of people attending speaking engagements and panels involving Arts Commission staff; and the number of people receiving publications presented to the field as technical assistance.						
Constituent satisfaction ratings (scale of 1-8)	7.00	7.00	7.00	7.00	7.10	7.20
<b>Explanation:</b> Figures for this measure are compiled by Arts Commission staff and reflect ratings from the Agency's annual satisfaction survey as well as evaluations from all presentations, convenings, workshops and review panels.						

# Board of Athletic Trainers

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



**ARIZONA BOARD OF ATHLETIC TRAINING**

**4205 N. 7<sup>th</sup> Avenue, Suite 305**

**Phoenix, Arizona 85013**

**FIVE YEAR STRATEGIC PLAN**

**FY 2013 – FY 2018**

J. Randy Frost

Executive Director



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## **EXECUTIVE SUMMARY**

The Arizona Board of Athletic Training was established by the Arizona Legislature in 2000 to regulate this profession. As such, the Board issues and renews licenses for the athletic training profession based on the applicant meeting established standards of experience and competency. The Board also receives, investigates, and resolves complaints taking necessary disciplinary action if appropriate. Finally, the Board responds to inquiries from consumers as to the license status of individual athletic training professionals.

### **Goals**

- To improve the efficiency of licensing, regulatory and information dissemination processes.
- To eliminate the bureaucracy in the licensing and regulatory process.

The strategies to accomplish these goals will center on maximizing resources, becoming more transparent and increasing access by modernizing automation. This will ensure that qualified athletic trainers can be quickly and efficiently licensed in order to maintain a pool of qualified health care providers, and allow the Board to concentrate resources where they are needed to effectively investigate, regulate and discipline the small percentage of practitioners who require remediation. We will also revise our current statutes and rules so that they are clear and concise making them easier for interpretation.

### **Mission**

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

### **Agency Description**

The Board of Athletic Training is a regulatory board, which issues and annually renews approximately 600 licenses for the athletic training profession and continues to monitor 300 closed licenses. By law, the Board requires that each applicant meet minimum standards of education, experience, and competency. The Board also receives and investigates complaints, takes appropriate disciplinary action and responds to inquiries from consumers as to the license status of individual athletic training professionals.

**Strategic Issues**

The Board members and the regulated community have handed Board Staff two (2) main issues that they want resolved by 2014. The issues center on ease of access to licensing information and revised statutes and rules that are up to date, clear and concise. Funding these projects will require the Board to seek approval in the FY 14 budget to increase its fund allocation.

**Strategies**

1. Replace our outdated on-site access data base program with an off-site SQL program to allow access from anywhere. By automating the Board’s application process applicants will be able to go on line and apply which will reduce the application processing time.
  
2. Work with State Legislature and The Governors Regulatory Review Council to revise outdated and often confusing statutes and rules.

<b>Resource Assumptions</b>						
	FY 2012 Appropriation	FY 2013 Budget Request	FY 2014 Estimate	FY 2015 Estimate	FY 2016 Estimate	FY 2017 Estimate
FTEs	86,800	79,700	79,700	79,700	79,700	79,700
Other appropriated funds	15,300	22,100	24,700	24,900	25,100	25,300
Total Agency Funds	102,100	101,8000	104,400	104,600	104,800	105,000

## Agency Summary

### BOARD OF ATHLETIC TRAINERS

J. Randy Frost, Executive Director  
 Phone: (602) 589-8353  
 A.R.S. § 32-4101 to 32-4161

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	104.6	101.8	104.4	104.4
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>104.6</b>	<b>101.8</b>	<b>104.4</b>	<b>104.4</b>
<b>FTE Positions</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Athletic Training licenses issued	589	600	595	600	600	600
Number of license renewals received	502	535	528	540	550	560
Average calendar days to renew a license	5	5	5	5	5	5
Average calendar days to issue a license.	5	5	5	5	5	5

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Complaints received	15	10	5	5	5	5
Disciplinary actions taken	6	6	7	6	6	6
Complaints resolved within 120 days	6	6	5	5	5	5

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of athletic training complaints received	2	1	1	1	1	1
Percent of licenses issued within 10 days of approval.	100	100	100	100	100	100
Complaints resolved within 120 days	2	1	1	1	1	1
Customer Satisfaction rating (scale 1-8)	7.5	7.8	7.9	7.9	7.9	7.9

# Attorney General - Department of Law

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



# OFFICE OF THE ATTORNEY GENERAL

## Five-Year Strategic Plan

### Fiscal Years 2013 - 2017

*As Attorney General, I am committed to defending Arizona. My office represents the state in court. It is also my job to advocate for security along the international border, to protect consumers, and to keep the public safe from criminal predators. In addition, it is my commitment that this office treats every legal matter with integrity, thoroughness and fairness.*

- Tom Horne, Arizona Attorney General

#### **MISSION:**

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

#### **AGENCY DESCRIPTION:**

The Office of the Attorney General (the "AGO") 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 and by statute. One fundamental responsibility of the Attorney General's Office is to act as legal advisor to all state agencies, boards, and commissions except those few exempted by law. Additional primary responsibilities include prosecuting and defending proceedings in which the State has an interest and rendering written opinions upon questions of law.

To fulfill these responsibilities, the Department of Law is divided into legal divisions and administrative offices. The legal divisions are Child and Family Protection, Civil, Criminal, Criminal Appeals & Capital Litigation, Public Advocacy and Civil Rights, and the Solicitor General's Office. Other divisions and programs performing administrative and support functions include: Administrative Services, Business & Finance, and Community Outreach. Each division is further organized into sections that specialize in a particular area of practice.

Legal, Policy, Administrative, and Support functions are coordinated and promoted by the Executive Office.

#### **Strategic Issues:**

- ❖ To Defend the Border from Criminal Activities
- ❖ To Protect Citizens Against Crime: Children, Seniors, Families & Communities
- ❖ To Provide Protection to Consumers
- ❖ To Provide Exemplary Legal Services

Our Nation's southern border has experienced a dramatic surge in cross-border crime and violence in recent years due to intense competition between Mexican drug cartels and criminal smuggling organizations that employ predatory tactics to realize profits. The criminal enterprises are engaging in diversified organized criminal activity ranging from drug trafficking, to hijacking cargo shipments, to human smuggling and money laundering, to murder. Arizona and Mexico need to work in cooperation to combat the organized criminal enterprises that control drug trafficking and criminal smuggling into the U. S. Both Arizona and Mexico need to continue working to cut off funding for border criminal enterprises; enlist international businesses in eliminating money laundering; increase multi-agent and bi-nation crime fighting task forces; and help Mexico reform its justice and law enforcement system. In an effort to address the dramatic surge in cross-border crime, the Office of the Attorney General will take a pro-active role and dedicate resources to implement initiatives to dismantle this organized criminal activity.

**GOAL 1:** To disrupt criminal organizations that engage in cross border violence.

**STRATEGIES:**

- Coordinate efforts on border security with federal, state and local law enforcement in Arizona and with Mexican law enforcement.
- Provide technical assistance to other law enforcement agencies, specifically in the use of financial data, to develop evidence relating to underlying criminal activity.
- Provide federal and state law enforcement agencies with timely legal advice on investigative procedures as well as training on relevant legal issues.
- Provide legal counsel and assistance in wiretap and undercover investigations.
- Develop a Southwest Border Area information sharing network.
- Assist in the creation of a chain of inter-related task forces in the Southwest Border area, concentrating on anti-money laundering enforcement at the highest levels.

**GOAL 2:** To reduce the financial power of criminal enterprises.

**STRATEGIES:**

- Dismantle racketeering enterprises through aggressive prosecution and civil racketeering remedies.
- Deprive organized crime of the property and profit that keep it in business and simultaneously fund future investigations and prosecutions of similar crimes through forfeiture proceedings.
- Specialize in complex financial prosecutions to reduce the financial power of criminal enterprises.
- Foster multi-jurisdictional collaboration to identify, investigate, and disrupt financial activities that facilitate cross-border violence and money laundering.
- Enhance coordination of the Southwest Border states' anti-money laundering (AML) efforts.

**Strategic Issue #2:****To Protect Citizens Against Crime: Children, Seniors,  
Families & Communities**

The Attorney General's Office prioritizes the protection of Arizona's population. This includes children, seniors, and individuals with physical or mental impairments, who are more vulnerable to abuse, neglect and exploitation; victims of violent crimes; identity theft; healthcare fraud and abuse; consumer fraud; and other crimes; all of which are prosecuted by our Office.

In the context of children, the Attorney General's Office provides comprehensive legal representation to the Department of Economic Security in two very distinct areas requiring diligent case management. In Child Protective Services (CPS) there is a rise in the severity of abuse and neglect of children that has resulted in staggering increases in the number of children in care. At the end of Fiscal Year 2012, CPS had 14,216 children in care. This represents a 16.75% increase over Fiscal Year 2011, and continues to impact efforts to achieve safe and timely permanency for Arizona's children in foster care. With respect to Child Support Enforcement, the Attorney General works to ensure the economic sufficiency of children through the establishment of paternity and pursuit of child support. This is of particular relevance where, as here in Arizona, 45% of children are born to un-wed parents and statistics show that parents who contribute financially are more involved in their children's lives.

Nearly 7,000 cases of vulnerable adult mistreatment are reported to the State annually. The typical victims in these cases are females over the age of 85. The over-eighty-five-year-old population is the fastest growing age group in the state and is estimated to increase 141% by the year 2020. It is critical that this population be defended against physical abuse, neglect and scammers who seek financial gains.

When a person is discriminated against based on his/her disability, race, color, religion, sex, familial status, age, or national origin, the Arizona Civil Rights Act has been violated. This type of discrimination may take place when individuals seek employment, attempt to exercise their right to vote, enjoy public accommodations, or seek housing. The AGO enforces anti-discrimination laws through investigation of complaints, alternative dispute resolution, and litigation, as well as education and outreach programs.

The AGO is also dedicated to ensuring justice to Arizona's victims. Victim Services Advocates provide support to victims in cases prosecuted by our office. Some of the services offered by the Advocates include keeping victims informed about court dates, assisting them in finding counseling services, and providing information on how the criminal justice system works. The AGO is also devoted to achieving justice for victims as it works to uphold the convictions and sentences of criminal defendants when their convictions and sentences are appealed. These efforts protect Arizona's communities, as the AGO strives to keep dangerous criminals off the streets.

Also worth noting is the AGO's statewide crime prevention and education initiative. The AGO's Community Outreach and Education group participates in community events statewide, which educate individuals on topics such as identity theft, consumer scams, life care planning issues, civil rights, senior abuse, and victim's rights. In addition, this group provides written and web-based resources to community groups on a wide range of issues.

**GOAL 1:** Promote the safety, economic sufficiency and well-being of children.

**STRATEGIES:**

- Protect children through effective litigation and efficient case management in dependency, guardianship and adoption proceedings, when attempts to reunite families prove unsuccessful.

- Provide training to AGO and DES staff, CPS caseworks, supervisors, members of the judiciary and various child welfare system stakeholders throughout Arizona for effective case management.
- Increase enforcement activity in judicial and administrative establishment of new child support orders.

**GOAL 2:** Combat abuse of Arizona’s senior population.

**STRATEGIES:**

- Use the strengths, skills, and resources across AGO Divisions to ensure the success of the Taskforce Against Senior Abuse (TASA).
- Work closely with other law enforcement offices, state and local agencies, and senior-focused groups to assure an aggressive investigative and prosecutorial presence in the State.
- Utilize the Advisory Group, comprised of community, business, and governmental leaders, to keep abreast on matters concerning senior citizens in Arizona.
- Provide a dedicated telephone number through which the public, other law enforcement agencies, caregivers and family members can report concerns and receive information and referrals.
- Offer educational opportunities around the state in which seniors can participate.
- Offer training and education to groups who have significant interactions with the senior population.
- Work collaboratively with outside law enforcement agencies and other state teams in order to pursue and prosecute allegations of abuse and neglect, including those that take place within health care settings.

**GOAL 3:** To protect victimized citizens and keep communities safe.

**STRATEGIES:**

- Improve the treatment of crime victims by exhibiting leadership, promoting public policy reforms where needed and increase the quality of victim services through the administration of the Victims’ Rights Program.
- Participate in victim service network events.
- Provide for efficient and effective delivery of quality services to victims during all stages of criminal prosecutions.
- Participate and serve as a leader statewide on victims’ issues.
- Collaborate with other law enforcement agencies to recognize individuals in Arizona who made significant contributions to victims’ rights.
- Competently and efficiently defend the State in all capital and non-capital appellate cases.
- Enhance written and oral advocacy skills through participation of training.
- Improve expertise in handling federal habeas litigation through participation in training related to federal appeals under 28 U.S.C. § 2254.



Arizonans are all too often threatened by consumer fraud. Scammers are continually finding new and inventive ways to take advantage of consumers. Fraudulent loan schemes, dishonest repair shops, and new threats found on the internet are only a few examples of fraud cases that can result in injury to the consumer. Among other potential impacts, harmed consumers may suffer financial loss, may have their credit history tarnished, may have difficulties obtaining a mortgage loan modification, or may be using a prescription drug that could put their health in danger. The economic crisis, in particular, has created a number of vulnerable consumers who are often targeted for work-from-home scams. Similarly, with Arizona ranking among the states hardest hit by the nation's mortgage crisis, a surge in mortgage-rescue fraud has followed. These scams victimize people who are already in distress and who place their trust in dishonest people. Consumer scams of any nature are detrimental and the Attorney General's Office is dedicated to vigorously prosecuting these cases.

Antitrust laws affect the daily lives of all consumers, whether they are shopping for groceries, purchasing a car, or downloading new software from the Internet. These laws play an important role in ensuring that the consumer has the benefit of competitive prices and high quality goods and services. The antitrust laws foster competition in the marketplace and prevent anticompetitive mergers and business practices. The AGO enforces Arizona's antitrust laws by investigating and, when warranted, filing suit against businesses and individuals engaged in price fixing and bid rigging. Further, the AGO takes legal action against businesses that refuse to deal fairly with customers, suppliers, or rivals. Also, businesses who allocate territories or customers, or who monopolize, or attempt to monopolize, a market are prosecuted by the AGO. The AGO is devoted to protecting the foundation of our economy that consists of free and open competitive markets for the benefit of Arizona's consumers.

**GOAL 1:** To deter fraudulent business practices as a means to protect consumers against fraud.

**STRATEGIES:**

- Investigate and prosecute violations of the Arizona Consumer Fraud Act.
- Increase public awareness through consumer education and alerts, presentations, and the distribution of literature.
- Pursue consumer fraud cases through sting operations to send a message to businesses that the next customer they try to defraud may be an agent from the AGO.
- Take court action if companies do not live up to their earlier agreements to settle consumer fraud allegations.

**GOAL 2:** To protect and promote competition for the benefit of consumers through enforcement of antitrust laws.

**STRATEGIES:**

- Collaborate with other state and federal antitrust enforcers in investigating and prosecuting anticompetitive conduct.
- Advocate for competitive markets by filing amicus briefs and commenting on proposed state and federal legislation that will affect competitive markets, consumer choice and price.

- Meet with constituent individuals and businesses to discuss local markets, and take action where necessary to protect and restore competition to those markets.
- Increase outreach/public entity training in antitrust laws and state procurement laws.

<b>Strategic Issue #4:</b>	<b>To Provide Exemplary Legal Services</b>
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One of the fundamental responsibilities of the Attorney General’s Office is to act as legal advisor to all state agencies, boards, and commissions, except those few exempted by law. The AGO represents its client agencies on matters concerning public monies, procurement, finance, open meetings, public records, employment law, general agency advice, statutory construction, administrative certification, licensing, administrative enforcement actions, and related litigation.

Between fiscal year (FY) 2008 and FY 2012, at a time when the AGO’s budget was reduced by \$32.8 million and had a 27.7% reduction in appropriated positions, the demand for resources required to defend or bring litigation caused by mandated budget cuts and sweeps, legislative implementation of public policy decisions, and referenda and initiatives increased markedly. Furthermore, with the economic downturn, caseloads in many parts of the office have increased due to fraud and other crimes being on the rise. Simultaneously, the AGO continually strives to respond to requests to litigate or intervene in matters that have great public interest as timely as possible. Examples include SB 1070, Obamacare, the Arizona medical marijuana initiative, and Colorado City (a community where local police have great allegiance to Warren Jeffs).

The AGO also provides mediation services to the people of Arizona and state agencies. These services are available for a variety of matters and are delivered in a neutral, non-threatening environment. The mediation process saves time, as the disputing parties can often resolve their differences without lengthy and costly litigation. The AGO continues to work towards maintaining a satisfaction rate of participants above 90%.

As an agency that so heavily relies on the intellect and skills of its staff, the importance of retaining talent and experience cannot be underestimated. The AGO continues its efforts to hire and retain the highest quality professionals. In addition, the AGO continues to enhance its efforts in providing ongoing training to its staff. Training efforts focus on streamlining processes, sharing best practices and ensuring that staff is properly trained and fully utilizing technology and other resources that have been made available.

The AGO is devoted to providing the highest quality of legal services to best serve the State of Arizona and its citizens. In order to achieve this, all divisions are focused on identifying ways to deliver services more effectively and efficiently while maintaining excellence.

**GOAL 1:** To provide a superior level of legal services to our client agencies, the public and the State of Arizona.

**STRATEGIES:**

- Retain professional, experienced, high-quality staff by implementation of a new, more rigorous hiring process; a more effective annual employee evaluation process; and expansion of the current recruitment process.
- Improve efficiency of legal services delivery through client relation meetings with agencies that frequently require our services.
- Provide advanced client agency training sessions in the areas of public records law, open meeting law, conflict of interest law and related legal restrictions on the activities of public officials and employees.
- Maintain the Continuing Legal Education (CLE) programs currently being offered by the Solicitor General’s Office.
- Develop guidelines for AGO communications with members of the public to ensure consistency, integrity and fairness through services being provided by the AGO.

<b>Resource Assumptions Required to Support Strategic Plan</b>						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request	FY 2016 Estimate	FY2017 Estimate	FY 2018 Estimate
Full-time Equivalent (FTE) Positions	721.3	720.3	714.3	700.3	700.3	700.3
General Fund	\$23,049,900	\$27,664,300	\$27,862,500	\$27,862,500	\$27,862,500	\$27,862,500
Other Appropriated Funds	\$36,574,500	\$37,798,700	\$37,608,700	\$37,608,700	\$37,608,700	\$37,608,700
Non-Appropriated Funds <sup>/1</sup>	\$62,513,900	\$63,292,700	\$63,292,700	\$44,292,700	\$44,292,700	\$44,292,700
Federal Funds	\$5,877,000	\$5,104,000	\$4,911,100	\$4,911,100	\$4,911,100	\$4,911,100
<b>Total Agency Funds</b>	<b>\$128,015,300</b>	<b>\$133,859,700</b>	<b>\$133,675,000</b>	<b>\$114,675,000</b>	<b>\$114,675,000</b>	<b>\$114,675,000</b>

/1 The \$57 million in mortgage settlement funds received by the AGO in FY12 will be spent during fiscal years 13, 14 and 15. The decrease in the Non-Appropriated Funds estimates between FY15 to FY16 assumes that all of the mortgage settlement funds were spent by the conclusion of FY15.

## Agency Summary

### ATTORNEY GENERAL - DEPARTMENT OF LAW

Tom Horne, Attorney General  
 Phone: (602) 542-7000  
 A.R.S. § 41-191

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ LEGAL SERVICES	82,880.7	115,665.8	120,776.3	120,344.8
➤ CENTRAL ADMINISTRATION	14,108.1	12,349.5	13,049.0	12,732.2
<b>Agency Total:</b>	<b>96,988.8</b>	<b>128,015.3</b>	<b>133,825.3</b>	<b>133,077.0</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	17,386.9	23,049.9	27,236.7	27,199.3
Other Appropriated Funds	36,537.7	36,574.5	38,139.2	37,621.2
Other Non Appropriated Funds	43,064.2	68,390.9	68,449.4	68,256.5
<b>Total Funding</b>	<b>96,988.8</b>	<b>128,015.3</b>	<b>133,825.3</b>	<b>133,077.0</b>
<b>FTE Positions</b>	<b>756.2</b>	<b>707.3</b>	<b>706.3</b>	<b>701.3</b>

**Program Summary**

LEGAL SERVICES

Eric Bistrow, Chief Deputy  
 Phone: (602) 542-8080  
 A.R.S. § 41-191

**This Program Contains the following Subprograms:**

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

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	10,428.3	16,010.7	19,510.4	19,765.8
Other Appropriated Funds	31,361.6	33,830.6	35,348.3	34,854.3
Other Non Appropriated Funds	41,090.8	65,824.5	65,917.6	65,724.7
<b>Total Funding</b>	<b>82,880.7</b>	<b>115,665.8</b>	<b>120,776.3</b>	<b>120,344.8</b>
<b>FTE Positions</b>	<b>598.3</b>	<b>594.5</b>	<b>593.5</b>	<b>588.5</b>

**Subprogram Summary**

PUBLIC ADVOCACY DIVISION

Thomas K. Chenal, Division Chief Counsel  
 Phone: (602) 542-8323  
 A.R.S. § 41-191

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,633.5	3,278.1	5,392.1	5,682.3
Other Appropriated Funds	9,280.6	11,688.2	12,024.5	11,953.3
Other Non Appropriated Funds	1,988.3	23,561.9	23,570.0	23,570.0
<b>Total Funding</b>	<b>12,902.4</b>	<b>38,528.2</b>	<b>40,986.6</b>	<b>41,205.6</b>
<b>FTE Positions</b>	<b>126.5</b>	<b>139.0</b>	<b>139.0</b>	<b>139.0</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Complaints opened	24,303	25,000	21,453	25,000	25,000	25,000
Complaints closed	22,733	23,000	18,910	23,000	23,000	23,000

**Explanation:** Files remained open longer as a result of customer assistance and mediation provided to constituents.

Telephone calls received from the public	47,101	48,000	41,112	42,000	42,000	42,000
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◆ **Goal 2** To deter fraudulent business practices as a means to protect consumers from fraud.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Civil cases/investigations opened	73	65	112	75	75	75

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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**Explanation:** Due to the current economy and the housing/mortgage crisis, our Office opened more investigations/cases in FY12 than estimated.

Judgments	36	25	17	25	25	25
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**Explanation:** Fewer cases were resolved as a result of complex and multi-state cases which take longer to litigate and resolve.

- ◆ **Goal 3** To provide the highest quality legal advice, representation, and training to the various agencies, boards, and commissions including but not limited to: Administrative Offices of the Courts; Departments of Administration, Agriculture, Corrections, Environmental Quality, Financial Institutions, Game and Fish, Gaming, Insurance, and Real Estate; Office of the Secretary of State; Arizona State Lottery Commission; Arizona State Retirement System; and Veteran's Services Commission.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Advice matters and files opened	0	0	202	200	200	200
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**Explanation:** This performance measure was added in FY13.

Civil litigation files opened	0	0	653	650	650	650
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**Explanation:** This performance measure was added in FY13.

Cases resolved within the year	0	0	503	500	500	500
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**Explanation:** This performance measure was added in FY13.

- ◆ **Goal 4** To improve client satisfaction and client relations through meetings with client directors and/or commissioners, and to provide training sessions in the areas of public records law, open meetings law, conflict of interest law, and related legal restrictions on the activities of public officials and employees.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Meetings with client agency directors and/or commissioners	0	0	25	20	20	20
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**Explanation:** This performance measure was added in FY13.

Training sessions with clients	0	0	11	10	10	10
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**Explanation:** This performance measure was added in FY13.

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Youth compliance checks conducted	1,979	2,000	2,351	2,000	2,000	2,000
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- ◆ **Goal 6** To protect and promote competition for the benefit of Arizona consumers through enforcement of the Arizona Uniform Antitrust Act.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Complaints received	38	20	10	20	15	15
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**Explanation:** Arizona had some of the lowest gas prices in the country during the last fiscal year, therefore, fewer complaints were received.

Restitution ordered for Arizona consumers and costs recovered in antitrust cases (\$ dollars)	464,600	75,000	81,930	50,000	50,000	50,000
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**Subprogram Summary**

CIVIL RIGHTS DIVISION

Thomas K. Chenal, Division Chief Counsel  
 Phone: (602) 542-8323  
 A.R.S. §§ 41-191 and 41-1401

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,092.2	1,381.0	1,408.7	1,408.7
Other Appropriated Funds	114.9	67.2	68.4	67.2
Other Non Appropriated Funds	1,524.9	1,193.6	1,126.0	1,126.0
<b>Total Funding</b>	<b>2,732.0</b>	<b>2,641.8</b>	<b>2,603.1</b>	<b>2,601.9</b>
<b>FTE Positions</b>	<b>31.6</b>	<b>32.1</b>	<b>32.1</b>	<b>32.1</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of cases investigated	1462	1,500	1,348	1,500	1,400	1,400
Number of cases resolved	948	950	901	1,000	950	950
Percentage of cases resolved using voluntary settlement agreements	14	15	12	15	15	15

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of lawsuits	19	25	18	20	20	20

**Explanation:** More cases were opened that included multiple charging parties, as opposed to cases with individual charging parties.

Number of lawsuits resolved	7	10	5	10	10	10
Percentage of litigation cases resolved using voluntary settlement agreements	86	90	100	90	80	80

**Explanation:** Consent decrees or settlement agreements negotiated for FY2012 were not finalized until FY2013.

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of cases referred to mediation	513	425	460	425	425	425
Number of Civil Rights discrimination cases mediated	110	115	127	120	120	120
Percentage of Civil Rights mediations in which agreement was reached	0	0	56	50	55	55

**Explanation:** This performance measure was added in FY13.

Maintain satisfaction rate of participants above 90 percent	94	95	95	95	95	95
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◆ **Goal 4** To increase public awareness of the State's zero tolerance of discrimination, resulting in a positive impact on the community.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of training presentations and outreach	0	0	45	36	36	36

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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**Explanation:** This performance measure was added in FY13.

Subprogram Summary	
CRIMINAL DIVISION	
Andrew Pacheco, Division Chief Counsel	
Phone: (602) 542-8572	
A.R.S. §§ 41-191 and 21-427	

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	7,583.4	9,229.9	10,499.1	10,464.3
Other Appropriated Funds	3,541.3	3,423.3	3,796.1	3,549.4
Other Non Appropriated Funds	36,225.9	40,378.7	40,531.3	40,338.4
<b>Total Funding</b>	<b>47,350.6</b>	<b>53,031.9</b>	<b>54,826.5</b>	<b>54,352.1</b>
<b>FTE Positions</b>	<b>213.6</b>	<b>216.4</b>	<b>215.4</b>	<b>210.4</b>

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Death penalty cases open	130	135	125	130	145	145
Death sentences carried out	4	5	5	5	5	5
Percentage of capital case convictions upheld by the Arizona Supreme Court on direct appeal and in post-conviction proceedings	100	95	95	95	95	95
Percentage of death penalty sentences affirmed by the Arizona Supreme Court	88	95	88	95	95	95

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of briefs, habeas answers, petitions for review and responses to petitions for review filed	890	899	908	917	926	935

**Explanation:** Statistics are for the Criminal Appeals Section only.

Average number of briefs, habeas answers, petitions for review and responses to petitions for review filed per attorney for non-capital cases	32	35	36	36	36	36
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◆ **Goal 3** To aggressively investigate and prosecute drug, money laundering, gang and other related offenses that occur in Arizona, to seek fair civil economic remedies to reduce the profit incentive of drug trafficking, and to disrupt racketeering enterprises.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Cases open (BCS & DRG Section Totals)	667	700	1,272	1,100	1,200	1,300



Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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**Explanation:** Increase in FY12 reflects multi-defendant wiretap cases and multi-defendant cases submitted by law enforcement agencies statewide.

Opened cases resolved within the year (BCS & DRG Section Totals)	280	300	447	300	300	300
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**Explanation:** Increase in cases resolved were due to those defendants who plead guilty in FY11 and sentenced in FY12 and due to the additional defendants being charged and resolved.

Number of defendants charged (BCS & DRG Section Totals)	614	650	908	800	825	850
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**Explanation:** Increase in FY12 is due to the increase in the number of cases being submitted by law enforcement agencies and charged by DRG and BCS.

Number of child abuse victims (BCS & DRG Section Totals)	4	5	14	5	5	5
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**Explanation:** Increase in FY12 is due to law enforcement stops regarding drug violations where children were present.

- ◆ **Goal 4** To investigate and prosecute complex financial fraud crimes and high technology crimes throughout the State of Arizona, which many cases are referred to this office due to other prosecution offices' limitation in manpower, experience or resources.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Cases open (BCS, FSP & HCF Section Totals)	1,202	1300	1,186	1,200	1,250	1,300
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Opened cases resolved within the year (BCS, FSP & HCS Section Totals)	434	450	427	435	450	465
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Matters reviewed but not opened (BCS, FSP & HCF Section Totals)	285	300	97	100	100	100
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Total victim losses (\$ millions) (BCS, FSP & HCF Section Totals)	342	350	323	300	300	300
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Total number of victims (BCS, FSP & HCF Section Totals)	85,789	6,500	27,402	25,000	25,000	25,000
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**Explanation:** Decrease in FY12 is due to one case being investigated in FY11 was calculated at 50,000 victims; however, once investigation was completed, the number of victims was decreased to 15,000.

Restitution ordered by the courts (\$ millions) (BCS, FSP & HCF Section Totals)	10.6	8.5	17.2	13	13	13
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**Explanation:** Increase in FY12 is due to restitution being ordered on large, complex victim cases. One case under investigation has over 15,000 victims.

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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County Attorney conflict of interest referrals (BCS, DRG, FSP & HCF Section Totals)	44	45	33	20	20	20
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**Explanation:** Decrease in conflict cases in FY11 and FY12 is due to a reduction in requests for conflict assistance from the Maricopa County Attorney's Office.

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
New Forfeiture cases opened	1355	1000	2,283	2,300	2,350	2,400
<b>Explanation:</b>	Decrease of cases opened in FY11 is due in part to a new operational strategy from only pursuing large and complex multi-defendant/asset cases to working with our law enforcement partners on any case they wish to submit for prosecution. This strategy has allowed the AGO to provide a greater service and working relationship to our law enforcement partners by investigating and prosecuting all cases. Increase in FY12 cases opened is due to FRS' acceptance of many cases from law enforcement partners as reflective of the strategy listed above. For the purpose of counting this statistic, FRS counts each in rem (property) and each in personam (person) separately.					
Opened cases resolved within the year	376	400	778	790	800	810
<b>Explanation:</b>	Increase in FY12 number of cases resolved was due to cases/assets pending statewide in FY11 being resolved in addition to FY12 cases/assets.					
Number of defendants (in rem/in personam)	1395	1600	6,504	6,550	6,600	6,650
<b>Explanation:</b>	Increase in FY12 number of defendants was due to the increased cases submitted by law enforcement officers statewide. For the purpose of counting this statistic, FRS counts each in rem (property) and each in personam (person) separately.					
Amount forfeited to State (\$ millions)	9.3	5.5	14.2	12	12.5	13
<b>Explanation:</b>	Increase in FY12 amount forfeited to the State was increased due to the increased cases submitted by law enforcement officers throughout the State.					

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Law enforcement training seminars	44	30	55	50	50	50
Financial inquiry assists	1574	1100	1,874	1,500	1,500	1,500

◆ **Goal 8** To improve the treatment of crime victims in Arizona by exhibiting leadership, promoting public policy reforms where needed and increasing the quality of victim services and victims' rights compliance through the administration of the Victims' Rights Program (VRP).

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of victim service network events participated in	101	110	97	100	100	100
Total awards disbursed (\$ millions)	2.7	2.7	2.7	2.75	2.75	2.75
Percent of VRP recipients in compliance with mandates	100	100	100	100	100	100
Number of trainings and presentations given	63	50	74	50	50	50
Number of attendees at trainings and presentations	1300	1000	1,587	1,000	1,000	1,000

**Explanation:** Increase in FY12 was due to more agencies allowing their staff to participate in trainings as compared with reduced funding in prior FY.

% of victims' rights violation allegations responded to	0	0	100	100	100	100
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**Explanation:** This performance measure was added in FY13.

% of Victims' Rights award recipients satisfied with the Victim's Rights Program	100	100	97	90	90	90
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Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of agencies audited	11	12	18	18	18	18

**Explanation:** Increase in FY12 was due to now having a full time Victims' Rights Enforcement Officer.

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of victims served	7,125	7200	6,245	7,200	7,200	7,200

**Explanation:** Decrease in FY11 and FY12 was due to a decline in the number of large victim cases, and subsequently a reduction in the number of victims we serve.

Number of mandated services provided	26,995	20,000	19,318	20,000	20,000	20,000
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**Explanation:** Decrease in FY12 is related to a decline in the number of large victim cases, and subsequently a reduction in the number of victims we serve.

Number of non-mandated services provided	109,166	120,000	102,427	120,000	120,000	120,000
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**Explanation:** Decrease in FY11 and FY12 can be attributed to the decrease in Post-Conviction Notification Request (PCNR) forms received by the AGO. In the past year, OVS has received significantly less PCNR forms from victims of cases prosecuted by the county, which has led to less non-mandated services provided.

Open restitution cases	206	200	200	200	200	200
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Compliance checks of restitution orders conducted	1,034	1,000	1,021	1,000	1,000	1,000
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**Explanation:** Decrease in FY11 and FY12 restitution order compliance checks are attributable to OVS' participation in restitution hearings and communication with the Superior Court.

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Open cases	209	250	425	450	475	500

**Explanation:** Increase in FY12 was due to additional agents hired and available for assignments, including an in flux of new cases opened by agents in FRS.

Law enforcement assists	1874	1500	1,523	1,600	1,600	1,600
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**Explanation:** Decrease in FY12 is due to the agent assigned to DFI position being vacant for many months.

Matters reviewed but not opened by Duty Agent	2,198	2,000	2,218	2,000	2,000	2,000
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### Subprogram Summary

CHILD AND FAMILY PROTECTION DIVISION

Nicole Davis, Division Chief Counsel

Phone: (602) 542-9948

A.R.S. § 41-191

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	1,192.5	650.4	650.4	650.4
<b>Total Funding</b>	<b>1,192.5</b>	<b>650.4</b>	<b>650.4</b>	<b>650.4</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of dependencies filed by DES (including supplemental and in-home petitions)	4,073	4,000	4,395	4,650	4,900	5,150

**Explanation:** In FY2012, the economic climate was still difficult for many Arizona families. With the additional stress on families, DCYF saw the number of cases increase and the severity of abuse and neglect rise. Consequently, the Department took more children into care under dependency petitions to ensure their health, safety and well-being.

Number of preliminary protective hearings within five to seven days of filing initial dependency petition	3,735	3,600	5,322	5,600	5,900	6,200
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**Explanation:** The increase in Preliminary Protective Hearings is directly tied to the increase in dependencies, the number of petitions filed and the existence of multiple parties involved in each case.

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of hearings held to establish a permanent plan within 12 months	4,818	4,700	6,979	7,350	7,700	8,100

**Explanation:** With an increased number of cases under the jurisdiction of the court there has been, and will continue to be, a corresponding increase in the number of Permanency Planning Hearings held for children in care.

Number of reunifications achieved (child back with parents)	1,722	1,500	1,244	1,300	1,400	1,450
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**Explanation:** With an increased number of children in care, DCYF had difficulty providing relevant and timely services to safely reunify children with their parents or guardians. The result is the decrease reflected.

Number of guardianships achieved (child placed with guardian)	378	400	289	300	325	350
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**Explanation:** Termination of parental rights and adoption is DCYF's preferred permanent plan for children. Thus, there has been a decrease in the number of children placed in guardianship arrangements. The decrease may also be attributable to the successful adoption of children by relatives and foster parents.

Number of terminations achieved (child removed from parents)	2,078	1,900	2,167	2,300	2,400	2,500
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**Explanation:** In FY2012, the increase in terminations is the direct result of an increase in the number of dependency cases and the severity of abuse and neglect of children.

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
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Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percentage of court ordered cases ratio required	83.0	84.0	83.0	84.0	85.0	85.0
Percentage of current support collected	0	0	52.2	54.0	57.0	58.0

**Explanation:** This performance measure was added in FY13.

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of children with paternity established	2,117	2,200	1,593	1,500	1,500	1,500

**Explanation:** The decrease in number of paternities established through judicial process corresponds to the increase in paternities established through DES' Administrative Voluntary Paternity Program. Future fiscal year estimates reflect DES' continued use of the program. Attorney General work in this area is offset by efforts to increase the percentages of current support collected added as a measure in goal 3 above.

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Administrative, Civil and Appellate litigation resolved (cases closed)	1,031	1,000	1,033	1,000	1,100	1,150
Civil Collection litigation resolved (judgments)	239	250	375	300	350	350

**Explanation:** The increase in civil collection judgments is due to enhanced client efforts and referrals to pursue individuals who fraudulently received, or were overpaid, benefits.

Criminal prosecutions completed successfully (sentenced)	169	175	124	125	125	125
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**Explanation:** The decline in the number of prosecutions completed successfully from the FY2012 estimate is related to the increased time and complexity associated with charging matters involving the unlawful receipt of unemployment insurance benefits, as well as the attrition and resultant vacancy in employment of prosecutors versed in the respective areas of the law.

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Civil judgments (\$)	577,633	600,000	891,115	700,000	700,000	700,000

**Explanation:** The increase in the dollar amount of civil judgments obtained is due to the increased dollar amount of each case pursued. In FY2012 the dollar value of each collection matter was substantially higher than the judgments received in FY2011.

Garnishment funds received (\$)	253,001	275,000	338,993	300,000	300,000	300,000
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**Explanation:** The increase in FY2012 garnishment funds received is tied to the Department's increased collection and garnishment efforts to recover funds from individuals who were overpaid benefits or defrauded DES.

Criminal restitution ordered (\$)	521,307	575,000	460,814	475,000	475,000	475,000
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**Explanation:** Although the total number of criminal cases filed and the amount of restitution ordered in each case increased in FY2012, the amount of restitution ordered throughout the fiscal year has decreased. This is primarily the result of a reduction in cases that proceed to sentencing; which is traditionally the time courts order criminal restitution.

Criminal restitution received prior to sentencing (\$)	320,834	350,000	343,339	350,000	375,000	375,000
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◆ **Goal 7** To provide comprehensive legal advice to the Department of Economic Security.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Hours of counsel and advice	20,653	22,000	27,249	27,000	27,000	27,000

**Explanation:** The hours of counsel and advice have increased above estimate due to the addition of attorneys to the Child and Family Protection Division.

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

Funding:	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
General Funds	119.2	2,121.7	2,210.5	2,210.5
Other Appropriated Funds	18,424.8	18,651.9	19,459.3	19,284.4
Other Non Appropriated Funds	159.2	39.9	39.9	39.9
<b>Total Funding</b>	<b>18,703.2</b>	<b>20,813.5</b>	<b>21,709.7</b>	<b>21,534.8</b>
<b>FTE Positions</b>	<b>226.6</b>	<b>207.0</b>	<b>207.0</b>	<b>207.0</b>

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Amounts recovered, generated, and/or saved (in millions of dollars)	60	60	116	116	85	100

**Explanation:** The FY 2012 numbers reflect some Arizona Preserve Initiative (“API”) sales, and the FY 2013 number is based upon estimates of sales transactions including some API sales. The 2014 number reflects the projected decline in API sales funding and the uncertainty regarding market recovery. The 2015 estimate reflects market recovery, but without API sales as future legislative funding for API sales is uncertain.

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Average months in suit: per tort lawsuit - AGO	21	20	18	20	20	20

**Explanation:** Average for any given year is based only on those cases which closed during that year. The facts of each case are different - as are the witnesses, attorneys, and judges - thereby causing fluctuations in average numbers from one year to the next. Additionally, criminal cases have priority over civil cases for judge assignments.

Average months in suit: per tort lawsuit - OSC	30	30	28	30	30	30
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**Explanation:** Average for any given year is based only on those cases which closed during that year. The facts of each case are different - as are the witnesses, attorneys, and judges - thereby causing fluctuations in average numbers from one year to the next.

Average billable hours: per tort lawsuit - AGO	319	300	268	250	280	280
Average billable hours: per tort lawsuit - OSC	273	250	344	250	305	300
Average billable hourly rate: per tort lawsuit - AGO	104	108	118	120	120	120
Average billable hourly rate: per tort lawsuit - OSC	173	200	174	210	190	200

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average months in suit: per employment lawsuit - AGO	9	25	16	20	20	20
Average months in suit: per employment lawsuit - OSC	0	35	21	24	24	24
<b>Explanation:</b> It is increasingly difficult to get a meaningful average for outside counsel suits, because fewer cases are being assigned to outside counsel. The information for FY2012 is the reflection of information from one case.						
Average billable hours: per employment lawsuit - AGO	195	500	441	500	500	500
Average billable hourly rate: per employment lawsuit - AGO	88	105	120	125	125	125
Average billable hourly rate: per workers compensation matter: AGO	103	96	102	116	116	116
Average billable hourly rate: per workers compensation matter - OSC	0	135	0	0	0	0

**Explanation:** In FY2011 and FY2012, OSC had no cases.

**Program Summary**

CENTRAL ADMINISTRATION

Eric Bistrow & Margaret Dugan, Chief Deputy & Chief of Staff

Phone: (602) 542-8080

A.R.S. § 41-191

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	6,958.6	7,039.2	7,726.3	7,433.5
Other Appropriated Funds	5,176.1	2,743.9	2,790.9	2,766.9
Other Non Appropriated Funds	1,973.4	2,566.4	2,531.8	2,531.8
<b>Total Funding</b>	<b>14,108.1</b>	<b>12,349.5</b>	<b>13,049.0</b>	<b>12,732.2</b>

<b>FTE Positions</b>	<b>157.9</b>	<b>112.8</b>	<b>112.8</b>	<b>112.8</b>
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◆ **Goal 1** To optimize the use of State funds in fulfilling the mission of the Attorney General's Office.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Administrative costs as a % of total costs	4.2	4.2	5	5	5.7	5.8

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Customer satisfaction rating for client agencies (scale of 1 to 8, with 8 the highest)	7.44	7.50	7.36	7.50	7.5	7.5

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Days to respond to a request for a legal opinion	43	50	55	50	50	50

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of agency staff turnover	17.6	17.5	13.3	17.0	17	17

◆ **Goal 5** To collect debts owed to the State of Arizona efficiently, expeditiously and fairly.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Revenue Increase Over Prior Year (as a percentage)	0	0	26	5	5	5

**Explanation:** This performance measure was added in FY13.

◆ **Goal 6** To effectively leverage technologies through staff training and full utilization/implementation of software programs including Legal Files, RevQ, ProcureAZ, Footprints, Access Databases, and Internal Asset Tracking System.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Staff training hours	700	250	259	275	275	275

**Explanation:** FY11 Training Hours exceeded our goal of 250 hours due to the implementation of the Employee Time Entry (ETE) system office-wide which required all AGO staff to complete a 30 minute training session and all supervisors to complete a subsequent 30 minute training session.

◆ **Goal 7** To increase capacity of Accounting staff by increasing the number of invoices paid through the State's procurement system,



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ProcureAZ, rather than through the AFIS accounting system.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percentage of Eligible Invoices Paid through ProcureAZ	0	0	0	60	70	80

**Explanation:** This performance measure was added in FY13.

# Auto Theft Authority

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## **Arizona Automobile Theft Authority (AATA) Mission Statement:**

***To deter vehicle theft through a statewide cooperative effort by supporting law enforcement activities, vertical prosecution and public awareness & community education programs.***

The AATA is the conduit by which a statewide effort to combat automobile theft in Arizona has been implemented. The primary function has been to coordinate efforts within the criminal justice community and to provide grant funding to law enforcement and prosecutorial agencies. Through its leadership, the AATA has been able to break down the barriers of jurisdictional lines and place resources in targeted areas. The nature of automobile theft in Arizona has significantly changed over the past ten (10) years. The agency has had to remain flexible and adaptable to stay ahead of the changing nature of vehicle theft in the state. To understand the nature of vehicle theft in Arizona, one must first recognize that it is primarily a crime of facilitation. Presently, vehicle theft in Arizona is dominated by organized criminal organizations, specifically the Mexican drug trafficking cartels. The drug cartels are made up of various cells that operate to facilitate narcotic, human, and weapon smuggling. The transportation cells of the Mexican Drug Cartels are involved in securing stolen vehicles to move their drug and human cargo northward. Weapons and monetary proceeds are moved southbound into Mexico using stolen vehicles. A growing trend in Arizona and throughout the southwestern states is to use stolen or fraudulently obtained rental vehicles to facilitate the cartels dangerous and violent activities.

The AATA coordinates programs on a statewide basis with local, county and state law enforcement and prosecuting agencies to combat the vehicle theft issue that has plagued the state. The AATA analyzes vehicle theft trends and is in constant communication with criminal justice agencies throughout the state to assure that assets are deployed where needed. The AATA, by its legislative mandates and innovative programs, has successfully attacked vehicle theft with statewide strategies. Unlike most other states, Arizona has a stand-alone agency that can act independently of local, regional, or inter-agency politics. Bureaucratic inefficiencies that bog down the criminal justice system are eliminated by a small, efficient, and highly effective agency like the AATA. The agency has implemented a methodology of cutting edge strategies, utilizing the latest technology, and constantly re-evaluating the fluid nature of the criminal organizations that dominate the vehicle theft problem in Arizona.

The foresight of the Arizona Legislature in creating the AATA has placed Arizona as the leader in methodology and results in combating vehicle theft. Other states and countries have looked to Arizona's success as a model to be emulated.

### **Description:**

The Arizona Legislature established the Arizona Automobile Theft Authority (AATA) in its present form in 1997 which consists of a twelve member board of directors.

The purpose of the Authority is to combat and reverse the incidence of vehicle theft throughout the State of Arizona. A.R.S. §41.3451(c) (3) through (7) identifies the tasks of the

#### Authority:

- Determine the scope of the problem of automobile theft, including areas of the state where the problem is greatest.
- Analyze the various methods of combating the problem of motor vehicle theft.
- Develop and implement a plan of operation.
- Develop and implement a financial plan.
- Solicit and accept gifts and grants.

A.R.S. §41.3451(g) defines how the Authority is to carry out its mission: “The automobile theft authority shall allocate monies in the fund to public agencies for the purpose of establishing, maintaining and supporting programs that are designed to prevent motor vehicle theft, including:

- Financial support to law enforcement and prosecution agencies for programs that are designed to increase the effectiveness of motor vehicle theft prosecution.
- Financial support for programs that are designed to educate and assist the public in the prevention of motor vehicle theft.

#### Goals, Objectives and Performance Measures:

##### **Arizona Vehicle Theft Task Force**

The Arizona Vehicle Theft Task Force, also known as RATTLER (Regional Auto Theft Task Force Law Enforcement Response), is a statewide multi-jurisdictional task force, committed to the suppression of vehicle theft in Arizona. The Task Force presently consists of three squads of state, county, city, and federal police officers, and is supported by criminal analysts. The Task Force is proactive in the suppression of vehicle theft and conducts undercover operations throughout the state. In addition to leading its own investigations, the Task Force acts in a support role to both local and federal operational activities.

As the nature of vehicle theft has changed in Arizona, the Arizona Vehicle Theft Task Force has kept stride with the criminal organizations and trafficking cartels that have beset the state and contributed to the vehicle theft dilemma. The Task Force is now focusing on major trafficking organizations and organized crime. The mission is not simply to pick the low hanging fruit of the organizations, but rather to go after the king pins. This requires highly skilled and motivated detectives, working under the direction of experienced leadership. Consequently, this type of investigation requires greater intelligence analysis and a statewide coordinated prosecution effort.

##### ***Problem Statement:***

The AATA is the primary funding source of the Arizona Vehicle Theft Task Force. As the direct result of past fund sweeps by the legislature and a budget appropriation that falls significantly short of AATA’s revenue, the State Vehicle Theft Task Force has contracted in size, eliminating several squads of detectives. Most significantly, the Task Force eliminated its

Border Squad. This has created additional coverage for the one southern task force squad that is housed in Tucson. The Tucson Vehicle Theft Task Force squad does not have the manpower to effectively address the auto theft problem in Tucson and still respond to calls across the Arizona border. The lack of a border squad allows for the criminal activity involving auto theft along the border to go undetected. Mexican Cartels are using stolen vehicles on a daily basis to conduct their illegal activity in southern Arizona.

Goal 1: Re-establish a border squad within the Arizona Vehicle Theft Task Force.

Objective 1: Provide additional funding to the vehicle theft task force so that a border squad can be implemented.

By June 30, 2014, provide funding to the task force to create a border squad of one supervisor and a minimum of six detectives.

By June 30, 2015, continue to fund the task force to maintain the border squad.

By June 30, 2016, continue to fund the task force to maintain the border squad.

By June 30, 2017, continue to fund the task force to maintain the border squad.

By June 30, 2018, continue to fund the task force to maintain the border squad.

<u>Performance Measures Type</u>	<u>FY2013 Expected</u>	<u>FY2014 Expected</u>	<u>FY2015 Expected</u>	<u>FY2016 Expected</u>	<u>FY2017 Expected</u>	<u>FY2018 Expected</u>
Task Force						
Border Squad	0	1	1	1	1	1
Border Squad						
Supervisor/Detectives	0	1/6	1/6	1/6	1/6	1/6

Action Plan:

- Obtain approval and funding to re-establish a border squad at the Task Force.
- Determine agencies to recruit for the border squad positions.
- Maintain funding and allocated positions for one supervisor and six detectives.
- Determine a location/city to house the border squad.
- Seek input from state, local, and federal agencies along the border.

### **Vertical Prosecution**

The AATA's Vertical Prosecution program began ten years ago. As the Arizona Vehicle Theft Task Force experienced increasing success in thwarting organized auto theft rings, it became apparent to the command staff of the Task Force and the AATA that prosecutors were needed with specialized training that were dedicated for (and to) the purpose of combating vehicle theft on a statewide basis.

Vertical Prosecution was not an unusual concept in Arizona when it came to the investigation and prosecution of homicide, sex crimes, and narcotics. Prosecutors working in these areas often had specialized training and worked closely with detectives at the investigative phase of the case. The same prosecutor, who was involved in drafting the search warrant, was also the prosecutor that saw the case through to fruition. Several narcotic task forces in Arizona had prosecutors imbedded with the task force.

The complicated nature of the vehicle theft problem that plagued Arizona included chop shops, VIN alterations, cloned vehicles, insurance fraud, and organized vehicle theft rings emanating out of Mexico. The ties of vehicle theft to smuggling organizations and the myriad of multifaceted crimes related to vehicle theft, mandated that specialized prosecutors be trained to understand the complexities of the related investigations.

The relationship between the prosecutor and the detective needed to be hand-in-glove. The AATA's Vertical Prosecution Program was born out of that need, developing a pilot program in which the prosecutor was sent to the same training as the detectives to learn the intricacies and the science of their investigative technique. In turn, the prosecutor worked side by side with his law enforcement counter-part, taking ownership of not only of the case, but of the Task Force mission. Defendants were often offered plea agreements, which required cooperation and debriefing by Task Force detectives. Several of the original cases that were taken up under the AATA's Pilot Vertical Prosecution Program are still paying dividends ten years later.

***Problem Statement:***

Vertical and/or integrated prosecution of vehicle theft cases does not exist in Arizona absent funding by the AATA. As the direct result of past fund sweeps by the legislature and a budget appropriation that falls significantly short of AATA's revenue, the AATA's Vertical Prosecution program has contracted significantly. The complex nature of automobile theft and the associated organized crime requires the funding of a sufficient number of well-trained prosecutors to work with the Task Force and other law enforcement to continue the successes achieved and prevent a backward slide in vehicle theft rates.

Goal 2: Re-establish the AATA's Vertical Prosecution Program to pre-2009 levels.

Objective 1: Provide the funding for additional prosecutors and support staff in the Vertical Prosecution Program in seven counties.

By June 30, 2014, fund one additional prosecutor.

By June 30, 2015, fund two additional prosecutors.

By June 30, 2016, fund one additional prosecutor.

By June 30, 2017, provide funding to maintain the Vertical Prosecution Program.

By June 30, 2018, provide funding to maintain the Vertical Prosecution Program.

<u>Performance Measures Type</u>	<u>FY2013 Expected</u>	<u>FY2014 Expected</u>	<u>FY2015 Expected</u>	<u>FY2016 Expected</u>	<u>FY2017 Expected</u>	<u>FY2018 Expected</u>
Number of Prosecutors Funded	5	6	8	9	9	9

Action Plan:

- Determine which counties to be funded
- Provide training and instruction on the Vertical Prosecution Program
- Provide the grant funding for additional support staff if needed
- Insure that the agencies are following guidelines set forth by the AATA

**License Plate Readers**

License plate reader (LPR) technology is an important tool in the detection and apprehension of auto thieves. This tool has improved the success in recovering stolen vehicles in a timely manner. Officers can scan license plates on vehicles as they drive through parking lots or down the highways. The LPR technology continues to improve and the companies are providing state of the art equipment.

***Problem Statement:***

The AATA has received numerous requests from law enforcement throughout the state to grant fund LPR's. The AATA does not have the funds available to meet the ever growing number of requests by law enforcement for LPR equipment. The AATA has developed a strategy to make LPR technology available to law enforcement across the entire state by creating a fleet of mobile LPR's and a reserve of LPR equipment that can be used by a multitude of law enforcement agencies (many of which have not had previous access to such equipment) and thus increase the statewide impact of the limited resources available to the AATA.

Goal 3: Develop and maintain a License Plate Reader (LPR) Program that is available to law enforcement agencies throughout Arizona.

Objective 1: Draft agreements for the use of Arizona DPS vehicles to be loaned out by the Arizona Automobile Theft Authority (AATA) to other law enforcement agencies.

By June 30, 2013 have a signed agreement between DPS and the AATA for vehicle use.

By June 30, 2013, have a written agreement for the loaning and use of the LPR vehicles and equipment to other agencies.

By June 30, 2014, maintain and renew contracts for loaning out LPR vehicles and equipment.

By June 30, 2015, maintain and renew contracts for loaning out LPR vehicles and equipment.

By June 30, 2016, maintain and renew contracts for loaning out LPR vehicles and equipment.

By June 30, 2017, maintain and renew contracts for loaning out LPR vehicles and equipment.

By June 30, 2018, maintain and renew contracts for loaning out LPR vehicles and equipment.

Objective 2: Maintain and loan out License Plate Readers (LPR) to other law enforcement agencies in Arizona.

By June 30, 2013, have one operational barrel LPR system and two vehicle LPR systems in operation for use.

By June 30, 2014, have one operational barrel LPR system and two vehicle LPR systems in operation for use.

By June 30, 2015, have one operational barrel LPR system and two vehicle LPR systems in operation for use.

By June 30, 2016, have two operational barrel LPR systems and three vehicle LPR systems in operation for use.

By June 30, 2017, have two operational barrel LPR systems and three vehicle LPR systems in operation for use.

By June 30, 2018, have two operational barrel LPR systems and three vehicle LPR systems in operation for use.

<u>Performance Measures</u> <u>Type</u>	<u>FY2013</u> <u>Expected</u>	<u>FY2014</u> <u>Expected</u>	<u>FY2015</u> <u>Expected</u>	<u>FY2016</u> <u>Expected</u>	<u>FY2017</u> <u>Expected</u>	<u>FY2018</u> <u>Expected</u>
Number of Barrel LPR Systems	1	1	1	2	2	2
Number of Mobile LPR Systems	2	2	2	3	3	3

**Action Plan:**

- Purchase the required LPR equipment and install on vehicles
- Make the LPR vehicles and barrel LPR available to law enforcement agencies throughout Arizona
- Develop an agreement between the AATA and the other agency for use of equipment
- Train the other agencies in the use of the LPR equipment
- Acquire additional LPR equipment to meet the agencies needs
- Develop a data tracking system to include an analysis component



**Bait Cars:**

Bait Car technology has been evolving and changing over the past several years. Most bait car systems employed in Arizona arose from AATA grant funding. These systems generally work in a manner that is run through a specific agencies dispatch. Each bait car is therefore tied to the specific agency. Advances in Bait Car technology, in conjunction with other related advances in GPS, wireless Bluetooth, geo-fencing, and a myriad of technological developments allow for a new era of bait cars that are more effective and cost efficient.

***Problem Statement:***

The AATA has received numerous requests from law enforcement throughout the state to grant fund bait cars. The AATA does not have the funds available to meet the ever growing number of requests by law enforcement for bait car technology. The AATA has developed a strategy to make bait cars available to law enforcement across the entire state by creating a fleet of bait cars that can be used by a multitude of law enforcement agencies (many of which have not had previous access to such equipment) and thus increase the statewide impact of the limited resources available to the AATA.

Goal 4: Develop and maintain a Bait Car Program that is available for use to law enforcement agencies throughout Arizona.

Objective 1: Obtain the vehicles, equipment, and contracts to provide bait vehicles to law enforcement agencies throughout Arizona.

By June 30, 2014, have two bait cars built and in operational use, for law enforcement Agencies

By June 30, 2015, have four bait cars built and in operational use, for law enforcement agencies.

By June 30, 2016, have six bait cars built and in operational use, for law enforcement agencies.

By June 30, 2017, have eight bait cars built and in operational use, for law enforcement agencies.

By June 30, 2018, have ten bait cars built and in operational use, for law enforcement agencies.

<u>Performance Measures</u> <u>Type</u>	<u>FY2013</u> <u>Expected</u>	<u>FY2014</u> <u>Expected</u>	<u>FY2015</u> <u>Expected</u>	<u>FY2016</u> <u>Expected</u>	<u>FY2017</u> <u>Expected</u>	<u>FY2018</u> <u>Expected</u>
Number of Operational Bait Cars	0	2	4	9	9	10

## **Action Plan:**

- Acquire the vehicles to be used in the bait car program
- Research and purchase the most up to date bait car equipment that is operated off of laptop computers
- Seek additional tracking device, such as LOJACK as a backup system
- Develop an agreement between the AATA and the other agency for use of equipment
- Develop a data tracking system to include an analysis component

## **AATA SPECIAL INVESTIGATIONS**

The AATA Special Investigations program is a new addition to the AATA's approach to combating vehicle theft, bridging an investigative void. The AATA is often the repository of information involving vehicle theft. The AATA is frequently looked to for direction when a multi-jurisdictional case arises and no agency takes the lead. AATA investigators can identify the criminal activity and share the information with the involved jurisdictional law enforcement agencies to develop an operational plan to combat the criminal activity. The additional resources will fill the void in areas where the task force has been forced to down size. The AATA investigators will be the liaison between the law enforcement agencies needing assistance and the Vehicle Theft Task Force. These additional resources will allow the Task Force detectives to stay focused on their case load while the AATA investigators conduct the preliminary research and case background.

### ***Problem Statement:***

The AATA receives numerous calls from the public and other law enforcement agencies reference possible criminal activity involving stolen vehicles. In the past this information has been relayed to the task force or the law enforcement agency where the suspected criminal activity is occurring. Due to manpower issues at the Task Force or local law enforcement agencies, the necessary research and follow up investigation may not occur in a timely manner or not at all. Valuable information may be lost by not responding in a timely manner. Having this resource available will eliminate the passing off of information with no follow up investigation being conducted.

Goal 5: Hire additional Arizona POST certified police officers as AATA investigators.

Objective 1: Fund and hire investigators to assist in auto theft investigations and train other law enforcement agencies.

By June 30, 2014, no additional investigators.

By June 30, 2015, hire one additional investigator.

By June 30, 2016, no additional investigators.

By June 30, 2017, hire one additional investigator.

By June 30, 2018, hire one additional investigator.

<u>Performance Measures Type</u>	<u>FY2013 Expected</u>	<u>FY2014 Expected</u>	<u>FY2015 Expected</u>	<u>FY2016 Expected</u>	<u>FY2017 Expected</u>	<u>FY2018 Expected</u>
Number of AATA Investigators	1	1	2	2	3	4

**Action Plan:**

- Seek approval from the AATA Board of Directors
- Provide funding for additional investigator positions
- Advertise the position as needed
- Interview and select qualified persons

**AATA INVESTIGATIONS TRAINING**

One of the responsibilities of the AATA is to provide training to law enforcement agencies. The need for consistent updated material to be instructed on a regular basis is an important element in combating auto theft. Incorporating the current technology and criminal activity into the training curriculum is an important tool in addressing auto theft trends. Getting this training out to the field officers and the detectives in a timely manner will enhance our efforts to aggressively attack the current auto theft issues at hand.

**PROBLEM STATEMENT:**

The availability of basic auto theft and advanced auto theft investigations classes are limited in Arizona. Due to the limited scheduled training, current trends and information is not always included in the training curriculum. Detectives assigned to the Vehicle Theft Task Force have had the responsibility in the past to maintain lesson plans and instruct these classes. These training assignments take the auto theft detective away from their case load and investigations. The AATA Special Investigators can take on this responsibility, allowing the Task Force detectives to stay on top of their case loads.

Goal 6: Provide Arizona POST certified auto theft investigations training to law enforcement agencies throughout Arizona.

Objective 1: Develop AZ POST approved lesson plans and conduct certified training.

By June 30, 2014, provide 4 basic auto theft investigation classes.

By June 30, 2015, provide 4 basic auto theft investigation classes and one advanced auto theft investigation class.

By June 30, 2016, provide 4 basic auto theft investigation classes and two advanced auto theft investigation classes.

By June 30, 2017, provide 4 basic auto theft investigation classes and two advanced auto theft investigation classes.

By June 30, 2018, provide 4 basic auto theft investigation classes and two advanced auto theft investigation class.

<u>Performance Measures Type</u>	<u>FY2013 Expected</u>	<u>FY2014 Expected</u>	<u>FY2015 Expected</u>	<u>FY2016 Expected</u>	<u>FY2017 Expected</u>	<u>FY2018 Expected</u>
Basic Auto Theft Classes	2	4	4	4	4	4
Advanced Auto Theft Classes	0	0	1	2	2	2

**Action Plan:**

- Develop lesson plans and submit them to Arizona POST for certification
- Schedule classes throughout the state
- Work with Arizona POST to stay active in there training calendar
- Continue to update lesson plans with current information

**ASSISTANCE TO OTHER AGENCIES**

Another responsibility of the AATA is to provide assistance to law enforcement agencies throughout Arizona to deter and combat vehicle thefts. The AATA is committed to providing experienced auto theft detectives to meet these needs. Many smaller agencies lack the resources to conduct long term or thorough auto theft investigations. The AATA acts as the liaison between the smaller agencies and the Task Force to insure that the needs are met. The AATA will also provide or loan equipment as requested from other agencies to combat auto theft problems in their areas. The AATA Special Investigators will assist the other agency officers with the proper use of the loaned equipment. Auto theft detectives around the world rely on each other to assist in follow up investigations in other jurisdictions. Keeping these avenues of communication open and assisting other agencies is invaluable.

**PROBLEM STATEMENT:**

As the Vehicle Theft Task Force has contracted in size, the availability of trained and experienced auto theft detectives in the outlying areas has declined. The needs to assist other agencies with expert advice or investigations continue to climb, adding additional work to Task Force detectives. Many outlying areas where the Task Force had previously been housed still rely on expert auto theft detectives to identify vehicles or provide investigative assistance. Many auto theft investigations need follow in other jurisdictions. Knowing and having the contacts in these other areas is a valuable resource.

Goal 7: Provide assistance to law enforcement agencies throughout Arizona and other state and federal agencies for vehicle theft investigations as needed.

Objective 1: Work with other agencies to conduct vehicle theft investigations in Arizona and follow up on cases for out of state agencies. Be a liaison between law enforcement agencies for vehicle theft investigations.

By June 30, 2014, conduct 50 assists to other agencies

By June 30, 2015, conduct 75 assists to other agencies

By June 30, 2016, conduct 100 assists to other agencies

By June 30, 2017, conduct 125 assists to other agencies

By June 30, 2018, conduct 150 assists to other agencies

<u>Performance Measures Type</u>	<u>FY2013 Expected</u>	<u>FY2014 Expected</u>	<u>FY2015 Expected</u>	<u>FY2016 Expected</u>	<u>FY2017 Expected</u>	<u>FY2018 Expected</u>
Assists to Other Agencies	25	50	75	100	125	150

**Action Plan:**

- Work with law enforcement agencies to investigate and follow up on vehicle theft cases
- Be a liaison between the vehicle theft task force and other law enforcement agencies
- Develop a relationship with agencies and work as the liaison on multi-jurisdictional investigations
- Share current vehicle theft trends with other agencies
- Document and track the number of assists provided to other agencies

**Public Awareness:**

Public education and prevention remain an important component in the agencies strategy to combat vehicle theft, however, the nature of AATA’s auto theft prevention programs has evolved and shifted focus in recent years. In the past, the AATA has provided grant funding to law enforcement agencies across the state to implement (and sustain) community-based public awareness programs. Grants provided funding for overtime and equipment/supplies for auto theft prevention & VIN etching events.

The AATA also provides equipment, literature and promotional items, along with other AATA resources, which provide agencies the ability to target specific needs of their community and to empower vehicle owners to protect their property. The AATA has implemented ways to support these sustainable deterrence programs in a more cost effective and efficient manner, leaving the bulk of grant funding available for law enforcement and auto theft prosecution programs.

Presently, the AATA engages in the following public awareness/auto theft prevention programs:

- **Watch Your Car Program** is one element of a “layered approach” to protection promoted by the AATA to effectively deter vehicles from being stolen. The Watch Your Car program began in Arizona in with a federal grant from the U.S. Department of Justice, and is done in conjunction with the Arizona Department of Motor Vehicles. It provides law enforcement a means to stop vehicles displaying the Watch Your Car decal, without the need for probable cause if the vehicle is driven between the hours of 1 a.m. and 5 a.m., the time when traditionally most vehicles were stolen. It also gives the officer additional contact information that he would not otherwise have to contact the registered owner for the purpose of determining whether the vehicle is legitimately being operated with his/her permission. The AATA has not eliminated the Watch Your Car program due to budget constraints, but rather has the program in maintenance mode. It is now a low cost, low man-power program, with citizens being encouraged to enroll electronically through the AATA’s website.
- **VIN (Vehicle Identification Number) Etching** – VIN etching involves marking the vehicle identification number into the window glass of the vehicle, making the vehicle less valuable to thieves who may want to steal it. This also acts as a deterrent to chop shop operators and provides a valuable means for law enforcement to identify vehicles that have been VIN switched or cloned. The AATA owns equipment and materials for etching VIN numbers on automobile glass and loans this equipment out to statewide law enforcement agencies. The AATA also sponsors VIN etching events that are conducted by agency staff and volunteers.
- **Youth Auto Theft Deterrent Programs** – Promote Youth Programs for middle school (“A Ride For Life: The Consequences of Auto Theft”) and high school students (“Park Smart, New Driver”). The AATA partners with school districts, School Resource Officers and driver’s Ed programs for student presentations.
- **Annual Auto Theft Prevention Week** – Sponsors the Annual Statewide Auto Theft Prevention Day the 1<sup>st</sup> week in March in partnership with law enforcement agencies & community partners by hosting auto theft prevention and/or VIN etching events in an effort to increase awareness about auto theft/burglary prevention.
- **Social Media Outreach** – The AATA has incorporated E-mail and web-based technology into our public outreach efforts, including Facebook (Arizona Auto Theft Authority) and Twitter (azautotheft) and YouTube (azautotheft2012).
- **Building Partnerships and Collaborative Efforts** with community organizations, corporations and businesses, including AAA Arizona, AARP, the Arizona Crime Prevention Association (ACPA), Arizona

Insurance Council, Valley Metro, and numerous others to promote auto theft and burglary prevention.

- **Bait Car & Auto Theft Deterrent Warning Signs** – Many police departments have employed the use of signs indicating that “Bait Cars Are in Use” or “Bait Cars Are Deployed in This Parking Lot.” This not only serves as a deterrent to *would be* auto thieves, but also reminds individual to protect themselves from becoming a victim of auto theft.

**Problem Statement:**

Public Awareness programs have been an effective tool employed by the AATA and its law enforcement partners in the reduction of vehicle theft on a statewide basis. Limited funding presently exists to carry on statewide public awareness programs.

Goal 1: Maintain existing public awareness programs at a minimal expense, provide statewide support, and identify new, innovative programs and strategies for maximum impact, with nominal expense.

**Action Plan:**

- Continue to maintain Watch Your Car Program, with increased efficiency using minimal resources.
- Collaborate with law enforcement agencies to identify current trends to develop innovative public education programs and public services.
- Support sustainable auto theft prevention programs, including VIN Etching, Watch Your Car, Blockwatch and Citizens on Patrol programs.
- Empower Arizona vehicle owners to protect and secure their personal property.
- Liaison with statewide law enforcement agencies, including auto theft units and crime prevention practitioners, to provide auto theft prevention tools & resources.

<u>Performance Measures Type</u>	<u>FY2013 Expected</u>	<u>FY2014 Expected</u>	<u>FY2015 Expected</u>	<u>FY2016 Expected</u>	<u>FY2017 Expected</u>	<u>FY2018 Expected</u>
Number of Active WYC Members	53,000	52,000	51,000	50,500	50,000	50,000
Statewide Prevention Programs & Events	53	55	60	65	70	75
Number of Assists with Prevention Resources	50	60	75	85	90	100

**Resource Assumptions (Agency level):**

	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request or Estimate</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
<b>Full Time- Equivalent FTE's</b>	6	6	6	6	6	7
<b>General Fund</b>	\$	\$	\$	\$	\$	\$
<b>Other Appropriated Funds<sup>2</sup></b>	\$4,274,500	\$5,351,818	\$5,418,715	\$5,486,448	\$5,560,515	\$5,643,922
<b>Non- Appropriated Funds</b>	\$150,000 <sup>1</sup>	\$	\$	\$	\$	\$
<b>Federal Funds</b>	\$	\$	\$	\$	\$	\$
<b>Total Agency Funds</b>	<b>\$4,424,500</b>	<b>\$5,351,818</b>	<b>\$5,418,715</b>	<b>\$5,486,448</b>	<b>\$5,560,515</b>	<b>\$5,643,922</b>

1-Court Ordered Settlement

2-FY 2014-FY 2018 Appropriation to Match Projected Revenue



## Agency Summary

### AUTO THEFT AUTHORITY

Brian R. Salata, Executive Director  
 Phone: (602) 364-2888  
 A.R.S. § 41-3451

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	4,140.0	4,274.5	4,274.5	4,274.5
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,140.0</b>	<b>4,274.5</b>	<b>4,274.5</b>	<b>4,274.5</b>

<b>FTE Positions</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>
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◆ **Goal 1** To analyze the problem and trends of vehicle theft and associated criminal activity.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of studies conducted	5	6	6	6	8	8

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of vehicles stolen statewide (2011 calendar year).	20,251	19,000	21,508	20,000	19,000	18,000

**Explanation:** AATA expects a continued downward trend due to new, innovative strategies and programs. \*2011 stolen vehicle data from FBI Uniform Crime Report (UCR). New 2012 data to be released October '12.

Arizona vehicle theft rate (# per 100,000 population)	317	297	336	312.5	297	281
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◆ **Goal 3** To deter vehicle theft and associated criminal activity through aggressive, proactive law enforcement strategies.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Task Force positions funded by AATA	32	28	28	28	28	28

**Explanation:** Funding reduction since FY09 have directly impacted Task Force staffing levels.

Number of stolen vehicles recovered by AZ. Auto Theft Task Force	1,455	1,500	1,329	1,200	1,150	1,100
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**Explanation:** The Arizona Vehicle Theft Task Force has shifted focus to investigating and dismantling organized auto theft rings.

Value of stolen vehicles recovered by Task Force (in millions of dollars)	19.0	20.0	13.5	13.0	12.5	12.0
Number of felony arrests by Task Force	147	200	147	200	250	280
Number of "chop shops" investigated by Task Force	28	30	52	70	80	82
Number of insurance fraud investigations by Task Force	8	15	10	15	20	25
Number of training and investigative assistance provided by Task Force	504	900	556	580	600	615

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Return on investment (for every dollar funded by the Arizona Auto Theft Authority amount recovered by Task Force)	6.13	6.67	4.5	4.33	4.16	4.0

**Explanation:** Lower return on investment is expected due to reduced funding and staffing as well as a change in Task Force operations.

Number of law enforcement grants awarded	6	6	5	6	8	10
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◆ **Goal 4** To assure deterrence of vehicle theft and associated criminal activity through effective auto theft (vertical) prosecution.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Number of prosecutors funded by AATA	3.5	4.5	5	5	6	8
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**Explanation:** Since FY09, funding reductions have directly impacted Vertical Prosecution staffing levels and number of counties participating.

Number of participating counties	5	6	5	5	7	7
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**Explanation:** Funding reductions since FY09 have impacted the Vertical Prosecution Program and the number of participating counties.

Number of vehicle theft cases filed	348	600	687	750	780	800
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**Explanation:** ATA funding decreases have reduced program effectiveness.

Number of vehicle theft convictions	300	400	256	320	400	420
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Percent of convictions to cases closed	95.0	95.0	95.0	95.0	96.0	97.0
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Amount of restitution ordered	500,000	1,000,000	718,000	1,000,000	2,000,000	3,000,000
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Number of training sessions provided	6	8	8	10	12	15
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◆ **Goal 5** To provide public education & prevention strategies to reduce victimization of vehicle theft and related criminal activity.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Number of Public Awareness grants to criminal justice agencies	0	0	0	0	0	0
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Number of PACE (Public Awareness and Community Education) events statewide	47	50	53	55	60	65
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Number of PACE events sponsored by AATA	22	20	25	25	30	30
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Number of PACE events sponsored by AATA grant agencies	25	30	28	30	30	35
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Estimated media exposures (in millions)	50	50	75	80	85	90
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Number of ACTIVE Watch Your Car (WYC) enrollments	61,450	60,000	54,500	53,000	52,000	51,000
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**Explanation:** The WYC program currently reduced to maintenance level due to decreased funding and staffing.

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Number of professional training grants awarded to agencies	20	20	17	20	20	20
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**Explanation:** Major statewide auto theft training seminar hosted in Arizona every two years.

Number of criminal justice personnel receiving auto theft training	20	40	34	35	35	35
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◆ **Goal 7** To maximize Agency effectiveness, efficiency and customer satisfaction.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Ratio of administrative costs as a percent of total expenditures	5.26	6.0	4.84	6.0	6.0	6.0
<b>Explanation:</b> Ratio decrease is the result of a complete evaluation of all administrative programs along with agency restructuring.						
Number of grant agency contractual compliance reviews	23	25	28	30	35	40
<b>Explanation:</b> All grant agencies are reviewed annually for compliance.						
Customer satisfaction rating (scale of 1-3, 1 highest rating)	1	1	1	1	1	1
Number of site visits to grant agencies and statewide law enforcement & criminal justice partners.	35	40	38	50	55	60
Initiate monthly e-newsletter and electronic communications with agency customers/stakeholders.	30	40	42	45	50	55

**Explanation:** AATA staff continue to implement more cost effective strategies for agency and stakeholder communications.

# Board of Barber Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# **BOARD OF BARBER EXAMINERS**

## **FIVE-YEAR STRATEGIC PLAN**

### **FISCAL YEARS 2014-2018**

#### **MISSION STATEMENT**

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

#### **AGENCY DESCRIPTION**

The Arizona Board of Barbers regulates the barbering industry and is overseen by a governor-appointed board. It regulates the entire field of barbering starting with student enrollment, progressing to administering the examinations, granting a license to practice barbering or granting a license to own a barber shop and continues until such time as that license is retired. It certifies that barbers are entitled to perform all of the actions as outlined in our laws and rules and inspections of barbers and barber shops are conducted to assure that these licensees are complying with the statutes. We conduct hearings into allegations of violations of those laws and rules and have the authority to levy fines, assess civil penalties and suspend or revoke licenses.

#### **STRATEGIC ISSUES**

##### Strategic Issue 1

To update the rules governing the Board.

Due to a moratorium on rule making, the Board has many issues which it wishes to update. Many of these issues involve bring the rules up to date to match other laws which have been modified or enacted. However, several of the rules we wish to implement involve the safety of the public, barber students, barbers, instructors, schools and establishment.

##### Strategic issue 2

To update the website.

The website needs to have many of its sections brought up to date and new sections added. We feel this will help the public and our licensees. We also want to make the website more user friendly for our

staff by adding software that will enable our staff to make corrections directly on the website without going through a third part.

Strategic issue 3

To update the computer equipment.

Our equipment will be seven years old at time we plan to replace it. This is well past the recommended time to update computer equipment. A new system will give us dependable equipment, a reliable platform for our database and the latest in software to enhance our productivity

**Goals and Performance Measures**

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

Objective – To ensure applicants for barber examinations demonstrate minimal barbering skills and knowledge.

Performance Measures

- New examination applications accepted
- Number of full examinations passed
- Percent of examinations passed
- Number of all exam applicants (includes retakes)
- Number of written examinations given
- Number of practical examinations given

Objective To ensure applicants supply supporting documentation before issuance of license

Performance Measures

- Number of barber/instructor licenses issued
- Number of new shop/school licenses issued

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

Objective To observe proper sanitary procedures during inspections

Performance Measures:

Number of inspections conducted

Percent of total inspections passed

Objective Investigate complaints made to the Board

Performance Measures

Number of complaints received

Avg. calendar days from receipt of complaint to start of investigation

Goal 3 To enforce legislative requirements concerning the regulation of barbers

Objective To inspect shops/schools for compliance with statutes

Performance Measures:

Number of inspections conducted

Percent of total inspections passed

Objective To offer consent agreements or hold Informal Interviews and/or Formal Hearings to determine if a licensee is violating statutes and discipline and rehabilitate said licentiate if necessary.

Performance Measures

Number of licenses revoked or suspended

Number of disciplinary actions

Disciplinary actions resulting in penalties

Goal 4 To serve licensees in an efficient manner

Objective To issue or deny an applicant a license within 7 days

Performance Measure:

Average number of calendar days from receipt of application to acceptance or denial

Objective To utilize resources in an efficient manner

Performance Measures:

Administrative cost as a percent of total cost

Number of all licenses

## Resource Assumptions

Resource Assumptions						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	4	4	4	4	4	4
General Fund						
Other Appropriated Funds						
Non-Appropriated Funds						
Federal Funds						
Total Agency Funds	321,900	327,900	332,400	339,000	348,000	355,000



## Agency Summary

### BOARD OF BARBER EXAMINERS

Sam B. LaBarbera, Executive Director  
 Phone: (602) 542-4498  
 A.R.S. §§ 32-301 et. seq.

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	297.6	321.9	327.9	332.4
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>297.6</b>	<b>321.9</b>	<b>327.9</b>	<b>332.4</b>
<b>FTE Positions</b>	<b>3.8</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
New examination applications accepted	308	372	327	347	369	391
Number of first examinations passed	152	186	170	190	213	238
Percent of examinations passed	50	50	52	54	56	58
Number of all exam applicants (includes retakes)	499	608	528	559	591	626
Number of written examinations given	376	421	358	380	404	430
Number of practical examinations given	385	481	342	364	386	411
Number of new barber/instructor licenses issued	314	358	361	415	477	549
Number of new shop/school licenses issued	180	200	272	320	410	460

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of inspections conducted	2306	3,200	2,610	2,955	3,200	3,200
Percent of total inspections passed	78	75	78	78	79	80
Number of complaints received	350	350	287	350	350	350
Avg. calendar days from receipt of complaint to start of investigation	21	21	21	21	21	21

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of inspections conducted	2306	3,200	2,610	2,954	3,200	3,200
Percent of inspections passed	78	75	78	78	79	80
Number of licenses revoked or suspended	1	4	1	4	4	4
Disciplinary actions	28	30	62	50	50	50
Disciplinary actions resulting in penalties	20	10	58	45	45	45

◆ **Goal 4** To serve licensees in an efficient manner.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Average number of calendar days from receipt of application to acceptance or denial	.15	3	.15	3	3	3

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Administrative cost as a percent of total cost	10	10	8	10	10	10
Number of all licenses	7356	7575	7,509	7,665	7,825	7,987

# Board of Behavioral Health Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## MISSION STATEMENT

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

## AGENCY DESCRIPTION

The Board fulfills its mission to protect the public by ensuring that applicants for licensure meet minimum standards of education, experience, and competency as measured by examination. The Board also renews licensure for approximately 8,300 behavioral health professionals. The Board also investigates and acts on complaints alleging incompetence and/or unprofessional conduct by a licensee or applicant. The Board also investigates and takes action on complaints alleging that individuals are practicing psychotherapy without being licensed to do so. The Board also responds to inquiries from consumers regarding the licensure status and complaint history of individual behavioral health professionals.

## STRATEGIC ISSUES

*Strategic issues should focus on key challenges and opportunities facing the agency. For each issue, outline the situation, explain why it is an issue, and how the agency plans to address it. Strategic issues often develop in response to resource limitations, new alliances, customer concerns, audits, needed competencies, and other external forces.*

On 08/31/12, the Auditor General released its report regarding its Performance Audit and Sunset Review of the Board (Audit Report). The Audit Report contained only one finding: based on the Auditor General's determination that Arizona health regulatory boards should resolve complaints within 180 days of receipt, the Board should improve its complaint resolution timeliness as the majority of complaints closed in FY2010-2011 took more than 180 days to resolve.

The Audit Report recommended several changes to improve the efficiency of the Board's complaint processes. The Board immediately implemented all of the recommended changes.

Despite efficiencies resulting from implementation of the Audit Report recommendations, the Board remains unable to timely resolve complaints as a result of the following factors:

1. Because of inadequate resources, the Board has been unable to recruit and retain qualified investigative staff.
2. As a result, the Board experienced a 77 percent turnover in investigative staff over the last 5 years.
3. The Board experiences significant staffing inefficiencies resulting from the constant recruitment and training of investigative staff.
4. Over the past two years, the Board has experienced significant measurable increases in highly complex complaint issues and complaints presenting a significant risk of harm to the public.

The Audit Report noted that if, after making all of the recommended changes, the Board determines that it will remain unable to process complaints within the recommended 180 day timeframe, it should:

1. Determine how many investigators it needs to process complaints in a timely manner.
2. Determine how it can better identify, hire, and retain qualified investigators.

In accordance with this recommendation, the Board has determined the following:

1. The Board's ongoing staffing and workload challenges will continue to prevent it from resolving complaints within the 180 day time frame recommended in the Audit Report.
2. Although the Board has made progress in reducing its average complaint resolution time frame, it is not likely to achieve further reductions without additional resources.

To address this problem, in its FY 2014-2015 budget request, the Board requested an appropriation adjustment to provide the resources required to maintain the staffing level needed to achieve an average complaint resolution time frame of 180 days. The requested adjustment will allow the Board to:

1. Hire additional investigation staff.
2. Set a competitive starting salary for investigation staff that is commensurate with the skill sets required for the Board investigator position.

The Audit Report also noted that various stakeholders have expressed concerns regarding the Board's licensing requirements and complaint processes. To address these concerns, the Board began meeting with organizations representing behavioral health professionals in March 2012 to discuss the identified concerns and implement changes where a consensus exists regarding proposed changes. As a result of these ongoing discussions, the stakeholders reached consensus on a number of issues and the Board was able to implement the requested changes with the full support of the stakeholders.

The stakeholders continue to meet on a monthly basis with regard to the remaining issues where consensus has not yet been achieved. The lack of consensus over the remaining issues reflects the differences in professions, employee and employer relationships, competing priorities and implementation costs. Continuing to work with all of its stakeholders to determine if consensus can be reached regarding these outstanding issues remains a priority for the Board.

## STRATEGIES

*A strategy is a specific course or method of action that will be undertaken to address a specific strategic issue. To be viable a strategy must reflect available resources such as funding and employee capacity.*

To address the complaint resolution timeliness, in its FY 2014-2015 budget request, the Board has requested an appropriation adjustment to provide the resources required to maintain the staffing level needed to achieve an average complaint resolution time frame of 180 days. The requested adjustment will allow the Board to:

1. Hire additional investigation staff.

2. Set a competitive starting salary for investigation staff that is commensurate with the skill sets required for the Board investigator position.

To address stakeholder concerns, the Board remains committed to continuing the stakeholder meetings to facilitate the opportunities for the stakeholders to develop a consensus on contested issues. The stakeholders continue to meet monthly with regard to the remaining issues where consensus has not yet been achieved. There is no additional funding directed toward this endeavor. Staff time to organize and attend the stakeholder meetings is redirected from other responsibilities, such as investigation processes.

**RESOURCE ASSUMPTIONS**

*Include a brief explanation of assumptions used to determine changes in future financial resource needs.*

Resource Assumptions (agency level)						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FT2017 Estimate	FY2018 Estimate
Full-time-equivalent (FTE) Positions	17	17	17	17	17	17
General Fund	NA	NA	NA	NA	NA	NA
Other Appropriated Funds	1611.1	1742.2	1718.9	1718.9	1718.9	1718.9
Non-Appropriated Funds	NA	NA	NA	NA	NA	NA
Federal Funds	NA	NA	NA	NA	NA	NA
Total Agency Funds	1611.1	1742.2	1718.9	1718.9	1718.9	1718.9

The increase in other appropriated funds reflects the Board’s request for an appropriation increase to provide the resources required to recruit and retain qualified investigative staff as needed to achieve an average complaint resolution time frame of 180 days.

### Agency Summary

#### BOARD OF BEHAVIORAL HEALTH EXAMINERS

Debra Rinaudo, Executive Director  
 Phone: (602) 542-1864  
 A.R.S. §§ 32-3251 to 32-3322

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,462.7	1,611.1	1,742.2	1,718.9
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,462.7</b>	<b>1,611.1</b>	<b>1,742.2</b>	<b>1,718.9</b>
<b>FTE Positions</b>	<b>17.0</b>	<b>17.0</b>	<b>20.0</b>	<b>20.0</b>

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of application reviews completed within 180 days	96.6	90	94	90	90	90
Number of new and existing licenses issued	8,435	8,450	8,639	8,922	9,193	9,454
Administration as a percentage of total cost	4.7	4.2	4.0	3.8	4.0	4.0
Applications received	898	770	893	770	770	770
Individuals licensed	569	655	714	655	655	655
Renewals received	3,404	4,059	4,105	3,814	4,626	4,290
Average number of days to renew a license from receipt of application to issuance	20	30	13	30	30	30
Average number of days to process verifications	5	10	5	10	10	10
Verifications received	228	200	206	200	200	200
Numbers of inspections/investigations	240	300	384	370	370	370
Average days to resolve a complaint	305	350	347	306	306	306
Number of complaints received about licensees	161	160	148	135	135	135
Customer satisfaction rating (scale 1- 8)	6.5	5.5	6.4	5.5	5.5	5.5

# State Board for Charter Schools

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



## Arizona State Board for Charter Schools

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

**Agency Description:** The State Board for Charter Schools (“Board”) sponsors over 500 charter schools that serve over 133,000 students. The Board oversees the academic and operational compliance of the charter holders and reviews the fiscal viability of the charters it sponsors. The Board also continuously reviews new, replication and renewal applications and grants charters to qualified applicants.

**Strategic Issue 1:** As the number of students enrolling in charter schools continues to increase and the number of applications for new charter schools each year has not diminished, it is important for the Board to further refine its application processes to ensure that only applicants that can demonstrate quality academic programs and business plans are approved to operate under the sponsorship of the Board.

Increase the quality of the Board’s portfolio of charter schools by approving quality applications and granting charters to qualified applicants. In addition to annually revising the application criteria to ensure the application requirements provide the opportunity for applicants to demonstrate their ability to submit quality applications, the Board has developed an interview process as an additional means to evaluate new charter applicants to ensure quality programs of instruction and quality business plans will be implemented once the charter is granted.

- The applicant interview process provides the opportunity for applicants to demonstrate ownership and knowledge of the program of instruction and business plan as it was represented in writing.
- It also provides the reviewers with an opportunity to gain clarity from the applicant of any portion of the application that did not meet the substantive quality required during the initial paper review.

The Board currently uses volunteers (existing charter operators and members of the business community) to evaluate the quality of the submitted written applications. The Board has incorporated the interview process into its application process for the 2013-2014 application cycle as a pilot project funded by the National Association of Charter School Authorizers. In preparation for the inclusion of the interview into the application process and in seeking out ways to manage its work within the Board’s current appropriation, the Board sought and received authority to charge a fee for new application processing in the future. The fee will be used to pay for an external reviewer to evaluate applications, facilitate interviews, and provide reports to the staff for inclusion of materials for the Board’s consideration. The use of an outside reviewer contracted to perform the work, instead of coordinating multiple volunteer reviewers, should streamline the review process and allow Board staff to focus on its review of the applications and the compilation of materials to better inform the Board’s decisions with regard to new application consideration. To implement the application fee, the Board must:

- Develop the rules required to charge an application fee that will support the external review of the written applications and the interview process.

- Design and put forth an RFP for the identification of an external evaluator and the fee associated with the work to be completed.

Improving the application approval process will ensure that as the number of students enrolled in charter schools continues to increase by as much as 10% each year, the number of new quality educational choices will increase as well. The Board will be able to measure the impact of the inclusion of the interview process and the use of an external review process through:

- The number of new applications approved each year that open timely,
- The number of first year site visits that do not require follow-up,
- The number of first year audits that do not require corrective action plans,
- The number of schools that, as reflected in the state assessment data at the conclusion of the first year, demonstrate academic performance that meets the Board's academic expectations as set forth in the performance framework.

**Strategic Issue 2:** In addition to ensuring that only quality applicants are approved moving forward, the Board must also ensure that the charter holders previously approved to operate charter schools continue to do so by demonstrating increased academic performance over time while complying with their contractual responsibilities, including compliance with state and federal laws.

Increase the quality of the Board's portfolio of charter schools by monitoring academic performance and fiscal and contractual compliance. The Board is in the process of developing and adopting a performance framework that measures that quality of each charter holders' academic and contractual performance and financial viability. Measuring whether a charter holder is meeting or making sufficient progress toward the performance expectations set forth in the performance framework:

- ensures that charter operators that meet the expectations are afforded the opportunity to continue and expand their operations, and
- provides the Board with the information necessary to close poor performing charter schools.

The Board will be able to measure the impact of using the performance framework through:

- The number of corrective action plans required based on fiscal or contractual performance,
- The number of five-year interval reviews requiring performance management plans,
- The number of charter contracts surrendered or revoked,
- The number of charter contracts renewed,
- The number of complaints processed annually.

**Resources:**

As charter schools continue to gain popularity as demonstrated by the continuous increase in enrollment at charter schools and the consistent interest in opening new charter schools, it is imperative that the Board have sufficient resources to develop and refine processes for the evaluation of a charter school's operational, academic and financial performance. The Board also requires sufficient resources to develop and implement

processes to efficiently revoke charters and close charter schools that are not meeting their statutory or contractual requirements.

Resource Assumptions						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	8	10	10	10	10	10
General Fund	\$748,100	\$917,300	\$917,300	\$917,300	\$917,300	\$917,300
Other Appropriated Funds	\$0	\$0	\$0	\$0	\$0	\$0
Non –Appropriated Funds	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Total Agency Funds	\$766,100	\$935,300	\$935,300	\$935,300	\$935,300	\$935,300

## Agency Summary

### STATE BOARD FOR CHARTER SCHOOLS

DeAnna Rowe, Executive Director  
 Phone: (602) 364-3080  
 A.R.S. §§ 15-181 to 15-189

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	734.2	748.1	917.3	917.3
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	24.0	18.0	18.0	18.0
<b>Total Funding</b>	<b>758.2</b>	<b>766.1</b>	<b>935.3</b>	<b>935.3</b>
<b>FTE Positions</b>	<b>8.0</b>	<b>8.0</b>	<b>10.0</b>	<b>10.0</b>

- ◆ **Goal 1** To increase the quality of the Board's portfolio of charter schools by monitoring academic performance and fiscal and contractual compliance to ensure the continuation of schools that meet contractual obligations.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of students enrolled in sponsored charters.	123,600	126,072	133890	145000	159500	175450
<b>Explanation:</b> Includes full and part time brick and mortar and online instruction						
Number of sponsored charters with one or more sites in operation	391	405	390	397	398	395
Number of sponsored charter school sites in operation	517	531	513	516	524	530
Number of annual on-site monitoring visits	104	142	124	91	68	46
Number of contract amendments processed annually.	500	450	714	750	700	700
Number of charter school annual audits reviewed	366	365	364	380	394	395
Number of corrective action plans mandated based on fiscal or contractual noncompliance.	80	80	83	90	90	90
<b>Explanation:</b> Any non-compliance matter requiring further action by charter holder and the Board.						
Number of disciplinary actions that resulted in withholding of funds	19	22	24	20	24	24
<b>Explanation:</b> Pursuant to A.R.S. 15-185.H						
Number of Notices of Intent to Revoke Charter issued.	5	4	3	4	2	3
<b>Explanation:</b> Revocation proceedings cross fiscal years, but are only reported once.						
Number of charter contracts voluntarily surrendered.	6	5	8	5	5	2
Number of Consent/Settlement Agreements entered.	3	4	3	4	1	1
Number of charter contracts revoked.	1	2	0	2	1	2
Number of five-year interval reviews completed.	69	64	63	40	28	16

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of five-year interval review schools required to submit performance management plans.	11	98	40	25	18	10
Number of annual performance management plan reports reviewed	0	0	0	57	65	65
Number of annual complaints regarding sponsored schools	123	120	142	140	140	140
<b>Explanation:</b> Complaints are reviewed for contractual compliance and processed accordingly.						
Customer satisfaction survey (Scale 1-8)	6.6	6	6.6	6	6	6
<b>Explanation:</b> Respondents are charter representatives.						
Administration as a % of total cost	2	2	6	6	6	6

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of new application packages reviewed by staff for administrative completeness.	35	42	49	42	40	42
Number of new application packages considered by the Board.	10	15	14	12	12	12
Number of new application packages approved by the Board.	9	12	9	9	7	7
Number of replication application packages received.	16	10	6	8	6	6
Number of replication application packages approved by the Board.	16	10	6	8	6	6
Number of renewal applications prepared.	23	45	45	26	39	37
<b>Explanation:</b> Determination of application criteria based upon previous performance.						
Number of renewal applications submitted.	39	45	43	27	40	37
Number of renewal application packages approved by the Board.	35	40	40	30	35	30
Number of denied renewal applications that file an appeal.	0	0	6	5	5	5

# Board of Chiropractic Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# State of Arizona

## Board of Chiropractic Examiners

### Five Year Strategic Plan

**MISSION:** The Mission of the Board is to protect the health, safety and welfare of the public through the enforcement of the laws that govern the practice of chiropractic in the State of Arizona.

**BACKGROUND:** The Board is comprised of three professional members and two public members. It is assisted by five staff members. The Five Year Strategic Plan reflects an ongoing effort by the Board to improve agency functions in order to meet its mission. In this regard, the Board's plan will address funding, implementation of new laws or updates of existing laws, upgrading investigative functions and maintenance of critical functions.

#### **A. INCREASE BOARD REVENUES TO MEET EXPENSES.**

**Background:** As of 2005, the Board began to operate at a deficit. The Office of Strategic Planning and Budgeting has projected that the Board will be unable to meet basic expenses effective 2015 without an increase in revenues. Part of the revenue problems stem from the fact that the Chiropractic Act places a disproportionately low cap on fees that the Board may collect for the purpose of enforcing the laws that govern the practice of chiropractic. In addition, the Board's revenues have dropped approximately \$60,000 due to a lack of new applicants.

**Goal:** Collect sufficient revenues to fund full Board operations.

**Objective:** Pass legislation that will increase the fees paid by chiropractors for licensing and other services.

#### **Plan to Date:**

**2010 and 2011:** The Board attempted to pass legislation that would allow it to set fees in rule. To date, the Board has not been successful in meeting the goal.

**2011 and 2012:** Board members and Board staff have met with the Office of the Governor and the Office of Strategic Planning and Budgeting to request support for legislation to increase the cap on fees.

#### **Five Year Plan:**

**2013:** Identify a bill sponsor or sponsors.

**2014 and 2015:** Support passage of a bill that will allow the Board to increase the cap on fees that the Board may collect to support the agency mission.

**2016:** Write the rules for an increase in fees and obtain approval from the Governor's Regulatory Review Council. Begin educating the licensees that there will be changes to the fee schedule.

**2017:** Implement new fees.

## **B. IMPLEMENT THE REGULATION OF BUSINESS ENTITIES**

**Background:** In 2011, the legislature passed legislation that authorizes the Board to regulate business entities that provide services through chiropractors and that are not owned or operated by a licensed health care professional or are not regulated by the Department of Health Services.

**Goal:** Begin Enforcement of the new law.

**Objective:** Pass rules and implement the law.

### **Five Year Plan:**

**2013:** Write the rules necessary to implementation of the law and pass the rules through the Governor's Regulatory Review Council. Compile a list of business entities and begin an education process. Develop policies, forms and other administrative functions.

**2014:** Install IT programming for tracking registration. Implement initial and renewal registration.

**2015:** Establish full enforcement.

**2016 and 2017:** Evaluate the effectiveness of the rules and open up rulemaking if so indicated.

## **C. ESTABLISH AMENDMENTS TO CONTINUING EDUCATION LAWS AND IMPLEMENT THE CHANGES.**

**Background:** In 2011, the legislature amended the continuing education laws to provide the Board with the authority to define continuing education requirements in rule.

**Goal:** Improve licensee compliance with continuing education laws.

**Objective:** Pass a rule amendment that will provide clearer parameters for continuing education and implement the amended rules.

### **Five Year Plan:**

**2013:** Succeed in passing amended laws through the Governor's Regulatory Review Counsel.



**2014:** Notify licensees and providers of the changes to law for the 2014 renewal cycle and develop updated website materials to assist licensees in identifying qualifying C.E.  
**2015:** Evaluate the 2014 renewal cycle to determine the need for additional education regarding the law and to determine the need to change or create new website materials to assist licensees in identifying qualifying courses.  
**2016 and 2017:** Continue the evaluation process and begin rulemaking process if a need for change is identified.

#### **D. IMPROVE THE TIMELINESS OF INVESTIGATION COMPLETION AND CONCLUSION OF FORMAL HEARINGS.**

**Background:** As a consequence of insufficient funding, the Board has lacked the resources to complete investigations timely and to conclude formal hearings in a timely manner. Missing resources include sufficient staffing, funds to contract with investigators for technically complex investigations and funds to contract with the Office of the Attorney General for dedicated service.

**Goal:** Complete the majority of complaint investigations within a four month period of time and conclude Formal Hearings within a four month period of time.

**Objective:** Collect sufficient funds to adjust staffing, contract with licensed doctors of chiropractic to assist with investigations and contract with the Office of the Attorney General for dedicated service to expedite Formal Hearings.

##### **Five Year Plan:**

**2013-2016:** Achieve Goal “A”.

**2016 and 2017:** Evaluate staffing structure based on current laws and workload. Collect bids on contract investigators. Establish contracts with contract investigators and the Office of the Attorney General.

#### **E. UPDATE INFORMATION TECHNOLOGY FOR THE DATABASE.**

**Background:** The database is critical to agency functions. It is the primary source of real-time data on licensees, supports the renewal function and is the base for the website public records information, in addition to other functions. The Board’s current database is an Access program that is becoming obsolete. Staff has already found that there is very limited availability of technicians that are familiar with the program. The Board will need to seek resources to upgrade the system.

**Goal:** Obtain the financial resources needed to upgrade the database system.

**Objective:** Upgrade the database to sustainable programming.

##### **Five Year Plan:**

**2013-2016:** Achieve Goal “A”.

**2014 and 2015:** Research programming options and costs.

**2015:** Submit the information technology plan to the AZNET system for approval.

**2016:** Begin the procurement process for service bids.

**2017:** Upgrade the database.

## **F. MAINTAIN AND IMPROVE COMMUNICATIONS WITH THE LICENSED POPULATION AND THE PUBLIC**

**Background:** The Board’s mission is to protect the health, welfare and safety of the public. In addition, the Board has a responsibility to the licensed population to keep members apprised of the laws that govern the practice of chiropractic. To that end, the Board has established a website that provides guidance to licensees on laws as well as tools to assist licensees in achieving compliance with laws. The website also seeks to educate the public by providing easy access to applicable laws, access to information on licensees, and an explanation of the role of the Board in regulation of the profession and the complaint and investigation process. The Board also sends a newsletter to licensees at least once a year in which it notifies licensees of any changes or additions to laws that are relevant to the practice of chiropractic.

**Goal:** Seek continuous improvement to the communication system as resources allow:

**Objective:** Provide access to licensee information and history to the public, educate the public as to the role of the Board and the complaint and investigation process, provide access to laws that govern the practice of chiropractic to licensees and the public, and provide guidance to the profession on how to remain in compliance with the laws.

### **Five Year Plan:**

**2013:** Update the website and law booklet to reflect changes in law, notify licensees of changes to law and develop an on-line list of continuing education subjects and courses to guide licensees on compliance for 2014.

**2014:** Update the website and law booklet to reflect changes in law, notify licensees of changes in law and post continuing education qualifying subjects and approved courses on the website.

**2015:** Seek increased revenue sources to improve communications via website and hard copy mailings. Continue notification of changes to law.

**2016:** Update website and law book to reflect changes in law, notify licensees of changes in law by newsletter, and explore use of email for enhanced communications.

**2017:** Continue updates via website, law booklet and newsletter and test email newsletter if funding is available.

## Agency Summary

### BOARD OF CHIROPRACTIC EXAMINERS

Patti Pritzl, Executive Director  
 Phone: (602) 864-5088  
 A.R.S. § 32-900 et. seq.

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	422.0	454.8	457.8	466.8
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>422.0</b>	<b>454.8</b>	<b>457.8</b>	<b>466.8</b>
<b>FTE Positions</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

- ◆ **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	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of applications for licensure received	71	75	73	75	75	80
<b>Explanation:</b> This measure is used to assess future revenues.						
Average number of days between receipt of complete application and Board action	20	25	23	25	25	25
<b>Explanation:</b> This performance measure determines if the Board is meeting the licensing time frames required in law.						
Number of new licenses issued	59	60	64	64	64	70
<b>Explanation:</b> This measure identifies a trend that impacts revenue, staffing and resources planning						
Number of licenses issued prior to undisclosed conviction being identified	0	0	0	0	0	0
<b>Explanation:</b> This performance measure is related to the Board's mission to protect the health, welfare and safety of the public.						
Number of licenses eligible for renewal	2,473	2,500	2428	2,500	2500	2500
Percent of license renewal applications processed within 15 business days	100	95	99	95	95	95

- ◆ **Goal 2** To investigate promptly complaints filed against licensees throughout the state and to proactively identify risks to the consumer public. To timely and knowledgeably determine if a matter should be dismissed or proceed to hearing, to conduct formal interviews and hearings in a timely manner, and to impose appropriate sanctions on those found to have violated the public trust.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of new complaints filed	128	120	112	120	120	120
Percent of complaints resolved within 180 days of receipt with no hearing required	41	80	10	25	30	35
Average number of months to resolve an administrative hearing	3	3	4	6	3	3
Total number of investigations conducted	190	165	163	165	165	165
Percent of concluded investigations resulting in disciplinary action	16	22	16	16	16	16

- ◆ **Goal 3** To ensure Board and staff competence and knowledge.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of survey responses which indicate that staff was knowledgeable and courteous in public communications or that the measure was not applicable.	97	97	100	97	97	97
Administration as a percent of total cost	15	17	17	17	17	17

◆ **Goal 4** To increase public awareness of agency functions, resources, and public records accessibility.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Web site access count	10,879	20,000	31259	40,000	50,000	60,000
Self assessment surveys returned.	22	30	15	30	30	30
Percent of complaint investigations that the Board found to be outside of its jurisdiction.	0	1	3	1	1	1

# Clean Elections Commission

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# CITIZENS CLEAN ELECTIONS COMMISSION (CCEC)

## STRATEGIC PLAN

CCEC Mission Statement: To fairly, faithfully and fully implement and administer the Arizona Citizens Clean Elections Act.

CCEC Vision: Through the successful implementation of the Arizona Citizens Clean Elections Act, we seek to improve the integrity of Arizona state government and we are seeking to promote public confidence in the Arizona political process.

CCEC Principles/Values:

Candidates and Campaign Committees: Our priority is to provide excellent customer service to the participating candidates and their campaign committees who choose to follow the provisions of the Clean Elections Act. We will provide excellent customer service to the nonparticipating candidates and their campaign committees who must comply with the provisions of the Act.

Service: Provide timely and accurate information to customers, stakeholders and members of the public who make inquiries.

Integrity: We will be committed to the highest standards of ethical behavior.

Quality: Ensure that all work is completed to the highest standards of excellence.

Teamwork: We will work together to accomplish the mission of the Commission.

Continuous Process Improvement: Strive to develop efficient and effective processes that are necessary to accomplish the mission.

**Actions:** All Staff actions are made in consultation with the Executive Director

		<b>Staff</b>
I.	Legislation and Rules	Executive Director
II.	Voter Education and Public Relations	Public Information Officer
III.	Training, Management Development, Commission Operations	Deputy Director
IV.	Enforcement	Campaign Finance Manager
V.	Financial, Fiscal Operations, Information Systems and Strategic Planning	Deputy Director

## I. Legislation/Commission Rules

<b>Concept:</b> Simplify and improve the Citizens Clean Elections Act while maintaining its effectiveness and purpose.
--

### Goals:

- Work with Legislature to develop and provide technical assistance with drafting legislation that will further the purpose of the Act.
- Promulgate rules to further the purpose of the Act
- Work with other agencies or groups to improve the implementation of the Act.

## II. Voter Education and Public Relations

<b>Concept:</b> Inform citizens about public issues related to the Citizens Clean Elections Act
---

### Goals:

- To provide the public with communications, reports and publications that are clear and informative.
- To effectively use all channels of communication, including new technologies, to publicize the Act and its implementation.
- To provide leadership for outreach activities, including debates, public participation, candidate awareness and media relations.
- To provide visibility to the new rules, policies and procedures promulgated by the Commission.
- To evaluate and improve the effectiveness of the educational programs and information that the Commission provides to the public.
- The successfully inform voters about the candidates running for statewide and legislative offices through candidate debates, statement pamphlets, and online publications.
- Continue to promote understanding of Arizona's political system and constructive participation within the system.

### III. Training, Management Development, and Commission Operations

<b>Concept:</b> Ensure staff is competent to carry out the objectives and mandates of the Act
---

#### Goals:

- Ensure that the staff understands the Commission's mission and the expectations of their jobs.
- Eliminate or combine jobs as necessary to maintain a lean staff
- Utilize contract services or other services of other agencies
- Attend management and leadership classes by staff members.

### IV. Enforcement

<b>Concept:</b> To facilitate easier and more universal compliance with the Citizens Clean Elections Act
--

#### Goals:

- Provide frequent and effective client education programs and publications.
- Simplify and improve reporting forms and procedures.
- Provide clarity and consistency in actions taken by the Commission.
- Revise candidate training programs to address new issues and to promote compliance.
- Assist the Secretary of State to provide and continually improve a campaign finance management software application and encourage its use by the maximum number of political committees and political funds.



## V. Financial, Fiscal Operations, Information Systems and Strategic Planning

**Concept:** Control all costs incurred each calendar year, not to exceed more than five dollars times the number of Arizona resident personal income tax returns filed during the previous calendar year - to use less than ten percent of that for reasonable and necessary expenses of administration and enforcement and at least ten percent of that amount for reasonable and necessary expenses associated with voter education. To plan, develop and implement effective and efficient information systems that will help the Commission carry out its mission.

### Goals:

- Monitor the amounts expended from the budget to ensure that expenditures do not exceed funds available.
- Ensure that the revenues from other agencies are paid into the fund.
- Use technology more effectively to identify compliance problems and to provide clients with resources to avoid problems.
- Evaluate and improve the Commission's financial activities on an ongoing basis.
- Ensure the Commission's educational obligations are met as efficiently and effectively.
- Determine when the fund contains insufficient monies or the spending cap would be exceeded were all candidates' accounts to be fully funded as early as possible.

## Agency Summary

### CLEAN ELECTIONS COMMISSION

Todd F. Lang, Executive Director  
 Phone: (602) 364-3477  
 A.R.S. §§ 16-901 et seq

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	3,370.5	7,129.9	7,129.9	7,129.9
<b>Total Funding</b>	<b>3,370.5</b>	<b>7,129.9</b>	<b>7,129.9</b>	<b>7,129.9</b>
<b>FTE Positions</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of certified participating candidates (calendar years)	125	85	72	125	100	70
Total funds distributed to participating candidates (calendar years in thousands)	4,500.0	2,337.0	533.1	1200.0	4000.0	3000.0

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of candidates submitting candidate statements (calendar years)	175	175	175	175	200	200
Number of candidate statement pamphlets mailed to AZ households (calendar years in thousands)	3,800.0	3,800.0	3700.0	3700.0	3700.0	3700.0

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

# Arizona Commerce Authority

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



## **FIVE-YEAR STRATEGIC PLAN**

### **Mission Statement**

The mission of the Arizona Commerce Authority is: To grow and strengthen Arizona's economy and facilitate the creation of quality jobs for its citizens by supporting and attracting businesses in targeted, high-value base sectors throughout the state.

### **Agency Description**

Governor Jan Brewer created the Governor's Commerce Advisory Council in 2010 to recommend a new statewide economic development approach to advance Arizona's global competitiveness. The Governor also worked with the Arizona Legislature to develop the Arizona Competitiveness Package: legislation focused on job creation throughout the state, intended to make Arizona a preferred location for business relocation, growth, and development. The Council recommended the creation of the Arizona Commerce Authority ("ACA"), an innovative public-private partnership to lead Arizona's statewide economic development efforts.

Shortly after its creation, the ACA looked to refine its mission and detail its business plan. The ACA evaluated Arizona's current competitive position on key indicators against peer states, refined its industry strategies, and identified a list of both near- and long-term actions to attract companies to Arizona, grow and expand existing Arizona businesses, and assist entrepreneurs in the creation of new, high-value businesses.

The resulting 5 year strategy of the ACA builds on the following guiding principles: transparency; accountability; return on investment; long-term vision/immediate action; collaboration and public/private engagement.

The ACA, along with Arizona's elected officials and business leaders, is committed to robust, high-value growth and economic vitality in all regions across the state. This common goal is the foundation of the state's aggressive economic development agenda. Emphasis will be focused on creating higher-wage jobs that bring with them additional indirect and induced employment.

Such focus and understanding is essential to efficient economic development planning and public policy development. Local market industries depend on the local population and incomes to be viable. Basic economic principles will dictate the expansion and contraction of these sectors and no special effort is

needed. Base sectors, or those that export their products, can locate anywhere. An economic development effort focused on higher, value added "base sectors" will add quality to the current employment base, resulting in the creation of additional local market job opportunities for state residents. If economic development efforts are instead focused on job quantity at lower wage levels, the quality of the employment base could actually weaken. The ACA recognizes this as a core principle for how an economy functions. High-wage jobs in high-value industries are critical to growing Arizona's Gross State Product (GSP) and building long-term economic vitality.

The ACA's focus is based on the principles of how an economy functions, how the state will grow in coming years, how that growth can be enhanced, and how public policy can plan an efficient role in encouraging job creation. The ACA's goals and strategies are also based on an economic evaluation of Arizona's strengths. This same evaluation also allows for the identification of weaknesses that can be remedied through policy changes.

The primary objective of the ACA is to generate measurable improvements to Arizona's economy. This will be accomplished by facilitating and promoting the creation of higher-wage jobs, which raise household incomes and drive the overall economy.

## **Strategic Issues**

### **Create 75,000 Higher -Wage Jobs**

Higher wage jobs are the foundation of economic prosperity. They drive the broader economy through higher household incomes and higher discretionary spending.

Over the next five years, the ACA plans to contribute to the creation of 75,000 higher-wage jobs in Arizona. The ACA's goal is that approximately two-thirds of those new jobs will be high-value jobs.

High value jobs have an average wage substantially above the median wage. Such high-value jobs will be the primary focus of the Arizona Competes Fund that permits flexibility in when and how it is used. The ACA will use the highest return on its investment as measured in economic benefit to the state. It is important to note, in this context, that the ACA also manages many of the state's economic development incentive programs. Many of these programs' wage eligibility thresholds are at or only slightly above median wage. Jobs created as a result of these programs are expected to contribute about one-third of the expected 75,000 new jobs. The ACA will make every effort to utilize and leverage these programs to supplement discretionary funding, as well as, evaluate opportunities for improvement.

### **Increase Average Wages of Jobs Created**

Over the next five years, the ACA plans to increase the average wage of all the jobs it helps to create.

The ACA will increase the average wage for high-value jobs from approximately 150 percent of the median wage to 175 percent of the median wage over the next five years. The ACA will accomplish this, in part, by promoting jobs in key, high-paying industries. The ACA's target industries, such as aerospace and defense, semiconductors, optics, bioscience and renewable energy have wages that range between \$63,000 and \$104,000 on average, more than double than the state's median wage of \$34,110. Other potential base-sector industries also pay higher wages, well in excess of the state's median wage. These high-value jobs will represent two-thirds of the total jobs created.

The ACA will also increase the average wage for the remaining jobs it helps create from approximately 125 percent of the median wage to 150 percent of the median wage over the next five years. As mentioned, state law specifies the wage threshold for many existing programs. The ACA will strategically utilize existing programs to focus its efforts on attracting high-value jobs and evaluate opportunities to enhance these programs in order to fulfill its mission.

The ACA will monitor and evaluate the effectiveness of those programs and offer recommendations for improvements to maximize the economic benefit to the state. It is important to note that any changes to statutorily mandated programs will require changes to state law. In past years, the jobs the ACA has helped create have been, on average, above minimum thresholds; for example, averaging approximately \$45,000 through the better part of FY2012.

### **Increase Capital Investment to \$6 Billion Over Five Years**

Investment in Arizona will increase the Gross State Product (GSP) and increase long-term economic stability. The ACA's focus on targeted investments will catalyze high-quality job creation and the development and promotion of Arizona's competitive advantages both nationally and internationally. Beginning in Fiscal Year 2013, a goal of \$1 billion is established. This number increases in subsequent years to \$1.4 billion by year five, with a cumulative investment target of \$6 billion.

The ACA is committed to performance based metrics, however, conditions in the national and global economies have a great affect on the overall economic impact of the ACA's program and efforts. Effective programs will have a greater impact in vibrant economic periods and will be hampered by economic slowdowns. Consequently, any measurable objectives must be viewed in the context of the national and global economic trends.

## **Strategies**

### **Strategy I - Recruit Businesses To Arizona**

Arizona's ability to recruit businesses enables the state to enrich and diversify the existing business community and enhance the state and local economies through job creation and investment.

Since 2003, more than \$28 billion in capital investment for all business activity and nearly 50,000 jobs have moved to Arizona from national and international locations. This demonstrates the fundamental attractiveness of Arizona to relocating businesses. The ACA estimates that the attraction of relocating or expanding businesses to Arizona will contribute to 70 percent (52,500) of the higher-wage jobs created over the next five years. Ninety percent will come from U.S. and 10 percent from international relocations.

The ACA will focus business attraction and recruitment efforts on companies that satisfy at least one of the following requirements:

- Companies operating in the target industries planning to expand their operations;
- Companies doing business with Arizona companies in target industries that are seeking to relocate closer to their clients' operations and access additional markets; or
- Companies supporting high-quality manufacturing or advanced business and financial services that support headquarters' operations.

**Strategy II - Grow Arizona Businesses**

Growing Arizona businesses expands and strengthens the state's economy because it utilizes existing infrastructure and existing assets and advantages. Arizona is a preferred location to expand businesses with its skilled and abundant workforce, low cost of operations, high quality of life and its proximity to major markets in California, Texas and Mexico. The ACA will leverage existing financial incentives and economic development assets and create technical assistance programs and strategic partnerships to help Arizona companies grow their revenue, create jobs and increase capital investment in the state.

The ACA estimates that the growth of existing Arizona businesses of all sizes, will contribute to 25 percent (18,750) of the higher-wage jobs it helps create over the next five years.

**Strategy III - Create New Businesses in Arizona**

By supporting entrepreneurship and the creation of new businesses in Arizona, the ACA promotes the state's position as a hub of innovation. Over the past decade, Arizona experienced one of the largest increases in entrepreneurial activity and has achieved excellent national recognition:

- 2012 Kauffman Index ranks Arizona #1 in the nation in entrepreneurial activity;
- Milken Institute's 2010 State Technology and Science Index ranks Arizona 9th in risk capital and entrepreneurial infrastructure; and
- Arizona has ranked in the top 10 for small business lending in the U.S.

The ACA recognizes the critical need to support and enable entrepreneurship in Arizona and estimates that new business creation will contribute to five percent (3,750) of the higher-wage jobs it helps create over the next five years.

Entrepreneurs need mentoring, management talent and risk capital to expand and fully capitalize on market opportunities. The ACA offers mentoring, training, and financing programs across the state to assist in the creation and development of start-ups -- from idea generation to prototyping, and from prototyping to a stable, growth company. The ACA will therefore help start and grow start-ups, ultimately creating high-wage jobs, increasing supply opportunities for Arizona companies, and strengthening Arizona's position as a recognized leader for entrepreneurs.

**Resource Assumptions**

Resource Assumptions (agency level)						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
<b>Full-Time Equivalent (FTE) Positions</b>	58.0	58.0	58.0	58.0	58.0	58.0
<b>General Fund</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other Appropriated Funds</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Non-Appropriated Funds</b>	\$ 64,881,900	\$ 63,486,000	\$ 59,322,900	\$ 59,322,900	\$ 59,322,900	\$ 59,322,900
<b>Federal Funds</b>	\$ 951,600	\$ 882,200	\$ 882,200	\$ 882,200	\$ 882,200	\$ 882,200
<b>Total Agency Funds</b>	\$ 65,833,500	\$ 64,368,200	\$ 60,205,100	\$ 60,205,100	\$ 60,205,100	\$ 60,205,100

Note: Non-Appropriated Funds decrease in FY 2015 due to expired commitment agreement with U.S. Treasury State Small Business Credit Initiative Program.

## Agency Summary

### ARIZONA COMMERCE AUTHORITY

Sandra Watson, Interim CEO  
 Phone: (602) 845-1215  
 41-1501

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	31,500.0	31,500.0	31,500.0	31,500.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	21,204.3	65,833.5	65,764.1	65,764.1
<b>Total Funding</b>	<b>52,704.3</b>	<b>97,333.5</b>	<b>97,264.1</b>	<b>97,264.1</b>
<b>FTE Positions</b>	<b>56.0</b>	<b>58.0</b>	<b>58.0</b>	<b>58.0</b>

- ◆ **Goal 1** To create opportunities that increase market penetration of Arizona products and services. The Arizona Commerce Authority team encourages retention, expansion, and location of businesses across the state.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of companies participating in trade events	N/A	225	75	100	50	50
Number of substantive export and trade related technical assistance sessions provided to export-related, growth-potential companies and individuals	0	200	50	55	62	69
Number of trade events (trade shows, trade missions, conferences and workshops)	0	80	20	25	15	15

- ◆ **Goal 2** To help create and retain higher paying jobs that support emerging and base industries in every region of the state.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of workers under contract to be trained	0	10,000	6,430	11,000	11,000	11,000
Number of companies assisted	0	80	45	80	80	80
Number of new jobs created as a result of grant program	0	1100	913	1,250	1,250	1,250
Percent of Job Training funds distributed to small businesses	0	9.0	36.00	10.0	10.0	10.0

- ◆ **Goal 3** To implement an effective apprenticeship training system designed to produce highly skilled workers that support emerging and base industries in every region of the state.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of active registered programs	0	125	104	N/A	N/A	N/A
<b>Explanation:</b> All Apprenticeship Programs ended in FY 2012						
Percentage of registered programs with rural employers	0	35	20	N/A	N/A	N/A

**Explanation:** All Apprenticeship Programs ended in FY 2012



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of workers in registered apprenticeship programs	0	4200	3,305	N/A	N/A	N/A

**Explanation:** All Apprenticeship Programs ended in FY 2012

◆ **Goal 4** To promote foreign investment in Arizona

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Potential foreign investors attracted to Arizona for site visits	0	14	15	20	22	25
Foreign delegations served (attracted or assisted)	0	13	15	15	15	15

◆ **Goal 5** To enhance awareness of Arizona as a premier state for business relocation and expansion activities in targeted industries that generates new company locates or expansion through out the state.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Jobs created by companies utilizing Arizona Commerce Authority business development programs	0	10,000	5,610	12,000	14,000	15,000
Average hourly wage rate per job	0	19.00	23.69	24.0	24.0	24.0
Number of new company relocations/expansions	0	15	29	62	73	78
Locate/expansion capital investments (in millions)	0	412	401	960	1120	1200
Number of companies recruited to rural locations	0	5	7	15	18	20

# Constable Ethics Standards and Training

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

### Agency Summary

#### CONSTABLE ETHICS STANDARDS AND TRAINING

Jesse Bolinger, Chairman  
 Phone: (602) 252-6563  
 A.R.S. 22-136

**5-Year Plan: Not Prepared by Agency**

**Mission:**

*To regulate and support the performance of elected and appointed constables in Arizona.*

**Description:**

The Board regulates constables, enforces a professional code of conduct for constables, and issues grants for constable training and equipment.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	179.1	294.6	294.6	294.6
<b>Total Funding</b>	<b>179.1</b>	<b>294.6</b>	<b>294.6</b>	<b>294.6</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To investigate and resolve complaints against constables

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
The number of citizen complaints against constables received by the Board	15	12	12	12	12	12
The number of citizen complaints against constables resolved by the Board	14	13	12	12	12	12

◆ **Goal 2** To distribute grants for constable training & equipment

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
The number of grants awarded	17	25	25	25	25	25

◆ **Goal 3** To ensure compliance with constable training reporting requirements

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of constables reporting approved training	53	75		75	75	75

# Registrar of Contractors

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

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# Arizona Registrar Of Contractors



## Strategic Plan 2013 - 2017

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## Executive Summary

The construction economy has recently found more stable footing after the economic collapse that began in the fall of 2006. Since that time, the construction industry has lost more than half of its jobs. Although the sharp decline appears to have reached the bottom; many economists anticipate that a full recovery of the construction economy may be delayed several years as population and business growth absorb the estimated six years oversupply of residential, industrial, and commercial space. In response to the shift in the construction economy, the ROC has made many internal changes to realign itself to better serve the current needs of the public. The ROC believes a healthy construction economy will be key to Arizona's economic recovery.

During the strategic planning process the agency considered the needs and expectations of Arizona contractors and residents in defining the mission statement and the strategic issues. The mission statement and strategic issues will guide its efforts to further improve the services it provides to Arizona contractors and residents.

## Mission Statement

*To promote quality construction by Arizona contractors through a licensing and regulatory system designed to protect the health, safety, and welfare of the public.*

## Strategic Issues

1. Efficient Delivery of Services – The agency will continue to identify, analyze and implement ways to streamline and simplify internal agency processes to better serve the public.
2. Effective Use of Technology – The agency will strive to implement technology that facilitates agency processes in the most effective and cost efficient manner. More effective use of technology can increase services to the public, reduce internal processing times, and decrease agency operating costs.
3. Clear and Consistent External Communications – The agency will review all forms, form letters, and other template-like correspondence to make changes that will better facilitate and improve the communication between the agency and the public.

In the pursuit of these strategic issues, the agency will foster an internal environment that continually strives to (1) identify opportunities for improvement, (2) analyze thoroughly and fairly each opportunity, and (3) implement changes that will improve services provided to Arizona contractors and the public.

## **Strategic Planning Methodology**

The process of updating the Registrar of Contractor's strategic plan began in May 2011. Directors and managers of departments were given a project schedule and timeline to (1) review and update goals; (2) complete an analysis of Strengths, Weaknesses, Opportunities, and Threats (SWOT); and (3) update and revise performance measures for their respective departments.

### **Goals**

The starting point for the goals was the department mission statements in the Master List of State Government Programs. After the department directors and managers reviewed and updated the goals for their departments, the revised goals were peer-reviewed and edited by other department directors. The department's goals define where the agency would like to be.

### **SWOT Analysis**

Directors and managers of departments were encouraged to involve key members of their departments in analyzing their department's Strengths, Weaknesses, Opportunities, and Threats. Directors and managers were encouraged to be especially open as they considered their department's weaknesses and threats so that the strategic planning process could be used to stimulate goals and plans to improve areas of weakness. The completed SWOT analysis was peer-reviewed and items were added by other department directors and managers. The SWOT analysis defines where the agency is strategically in fulfilling its mission.

### **Performance Measures**

Performance measures were updated and revised from the performance measures listed in the Master List of State Government Programs and various other sources, such as the measurements formerly used for the performance-based incentive program (PBIP), and the performance incentive program (PIP). Directors and managers of departments were instructed to refer to the newly updated goals and SWOT analysis as they involved key department staff in creating new performance measures to give direction to and measure the performance and achievement of their department's goals. Directors and managers of departments were instructed to make performance measures that are Specific, Measurable, Achievable, Relevant, and Time bound (SMART). The updated and revised performance measures were peer-reviewed by the other department directors and managers. By focusing on the updated goals and SWOT analysis, the performance measures are intended to move the agency from where it currently is, to where it wants to be.



## Current Agency Position

### Mission Statement

*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 Registrar of Contractors (ROC) was established in 1931. The ROC licenses and regulates residential and commercial contractors. The licensing process consists of reviewing license applications and issuing licenses to qualified applicants. The regulatory process consists of investigating and facilitating the resolution of complaints against licensed and unlicensed contractors. Complaints against licensed contractors that go unresolved may result in discipline of licenses. Complaints against unlicensed contractors may result in criminal convictions; including jail time, fines, and restitution.

In 1981, the Legislature established the Residential Contractors' Recovery Fund as a function within the ROC. Statute requires residential contractors provide \$200,000 for consumer protection. This protection may be established by (a) furnishing a \$200,000 surety bond or cash deposit, or (b) paying the required assessment to participate in the Recovery Fund. Like a surety bond or cash deposit, the Recovery Fund reimburses homeowners for poor workmanship or non-performance by a licensed residential contractor. Currently the assessment to participate in the recovery fund is \$300 the first year and \$150 every year thereafter. The maximum liability for the Recovery fund is \$200,000 per license and \$30,000 per person.

The ROC is a 90/10 agency. This means that the agency is funded by 90% of its licensing fees. The remaining 10% of licensing fees are deposited into the State General Fund. The ROC does not receive State General Fund money.

### Department Functions

#### Licensing

To process applications for new and renewal licenses in an efficient, thorough and timely manner; and to provide accurate, up-to-date information regarding license status, classifications and bonds.

#### Inspections

To protect the health, safety, and welfare of the public by investigating acts of licensed contractors; and when warranted issuing corrective work orders and citations in a timely, fair and consistent manner.

#### Legal

To determine whether, after a timely review of a complaint, to issue a citation or impose discipline upon a contractor's license; and whether to assess penalties against an unlicensed contractor, while ensuring due process to all parties.

#### Recovery Fund

To provide equitable financial restitution in a timely manner to eligible persons who have been injured by an act, representation, transaction or conduct of a licensed residential contractor.

#### Investigations

To protect the health, safety, and welfare of the public by investigating unlicensed contracting and unlicensed advertising violations; and when warranted taking action in the form of cease and desist orders, civil citations or criminal prosecution in a timely, fair and consistent manner.

#### Administration

To provide quality administrative services to the agency's other departments by timely, accurately, and efficiently processing incoming and outgoing mail, managing the budget, processing purchase requests, paying invoices, processing payroll and providing human resource services.

#### Technology Services

To provide quality technology services to the agency's other departments by providing and maintaining computer hardware, software, and applications that are secure and stable; and enable accurate and timely generation of reports, electronic sharing of data, and exchange of information.

### **Vision**

The ROC believes quality construction is key to Arizona's bright future. The ROC believes Arizona residents can live, work, and play in well-built, safe structures. The ROC believes Arizona contractors can work in an environment that rewards them for good work. The ROC believes the regulatory processes can be free of unnecessary burdens. The ROC believes it plays a central role in (1) ensuring licensed contractors are qualified to perform work allowed by their license, and (2) facilitating the timely and fair resolution of complaints between consumers and contractors.

### **Values**

The ROC values the many positive contributions contractors have made to the state of Arizona and its residents through their quality construction, civic involvement, and charitable activities. The ROC values construction standards that are enforced fairly and equally across the state. The ROC values complaints that are resolved in a timely and fair manner for all parties. The ROC values the experience, knowledge, dedication, and teamwork of its employees.

### **External Environment**

Construction sector employment has fallen -57% from its high of 254,600 in October 2006, to its low of 110,600 in March 2010. Since March 2010, construction employment has added only a few thousand jobs. The fall of the construction economy has led to a similar fall in the number of active contractor licenses from its high of 52,300 to the current 41,300. Even more drastic has been the -58% decline in applications for new contractor licenses from over 8,800 in fiscal year 2007 to only 3,700 in fiscal year 2011. The decline in active contractor licenses and applications for new licenses has drastically reduced the agency's revenue.

To compensate for the falling revenue, the ROC has taken many steps to reduce expenses. These steps have included; holding positions vacant, closing an office, reducing professional and outside services, returning and eliminating vehicles and phones, restricting out-of-state travel, suspending computer replacement schedules, and changing mail procedures. These cost-saving measures have enabled the agency to endure the severe economic climate. Some experts predict that the construction-sector will

rebound slowly because of the estimated six-year oversupply of residential, industrial, and commercial space.

Outside of the ROC, the economic downturn has played a significant impact on other programs and activities across state government. State government has experienced several consecutive years of budget reductions. As a non-General Fund agency, the ROC has contributed \$21.5 million to the state General Fund from fiscal years 2008-2011. Only \$5.9 million of this was due to the 10% of annual revenue contributed as a 90/10 agency (i.e. where 10% of annual revenue is already transferred to the General Fund). The remaining \$15.6 million was due to various fund transfers (\$10.9 of these transfers occurring in fiscal years 2008-2009). Money transferred to the General Fund came from licensing fees and Recovery Fund assessments paid by contractors.

Because construction is such a vital part of the Arizona economy, its decline was not only symptomatic, but also emblematic of the overall economic recession. Consequently, the improvement of the construction economy will be vital for Arizona's economic recovery.

### Statistical Overview of Fiscal Year 2011

- 3,700 license applications received
- 41,300 active contractor licenses
- 5,400 complaints against licensed contractors received
- 1,700 complaints against unlicensed contractors received
- 2,000 disciplinary actions taken against licensed contractors
- 500 recovery fund claims received

### Resources Assumptions

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Appropriation	Budget Request	Estimate	Estimate	Estimate	Estimate
Full-Time Equivalent (FTE) Positions	144.8	144.8	144.8	144.8	144.8	144.8
Other Appropriated Funds	\$12,002,700	\$12,002,700	\$12,002,700	\$12,002,700	\$12,002,700	\$12,002,700
Non-Appropriated Funds	\$6,165,300	\$10,952,200*	\$6,165,300	\$6,165,300	\$6,165,300	\$6,165,300
Total Agency Funds	\$18,168,000	\$22,954,900	\$18,168,000	\$18,168,000	\$18,168,000	\$18,168,000

\* The fiscal year 2013 non-appropriated budget assumes the agency's budget request will be funded to pay additional recovery fund claims.

## **Strategic Direction**

After a reviewing of the agency's current strategic position, the agency has determined opportunities for additional improvement exist through the following Strategic Issues.

1. **Efficient Delivery of Services** – As a regulatory agency the Registrar of Contractors is focused on streamlining and expediting the regulatory process. These regulatory processes include license processing and issuance to qualified applicants, complaint investigation and resolution, and recovery fund claim processing and payment of appropriate amounts to qualified claimants. Of the complaints filed with the offices of elected officials, the Ombudsman, and directly with the agency; 45% were categorized as complaints about the agency's processes. The agency will continue analyzing these complaints to identify and implement ways to streamline and simplify internal processes and better serve the public.
2. **Effective Use of Technology** – As technology continues to progress, that which was once state of the art quickly becomes the baseline. The Registrar of Contractors has made much progress during the past few years in modernizing the agency's use of technology. Some of the advances have included implementation of an interactive voice response telephone system, relocation of agency servers to the ADOA data warehouse, and transition from an older COBOL-based to a newer SQL-based information system. Despite these improvements, additional technology improvements can be implemented. A recent technology assessment found that improvements could be made to more effectively use available data, and modern technology standards could also facilitate efficiency gains in various agency processes. The agency will strive to implement technology that will facilitate agency processes in the most effective and cost efficient manner. More effective use of technology can increase services to the public, reduce internal processing times, and decrease agency operating costs.
3. **Clear and Consistent External Communications** – The Registrar of Contractors interacts with the public in many ways. One important method is through written communication on forms and letters. The most common forms and letters are associated with applying for and maintaining an active license, and filing a complaint and communicating the steps in the complaint resolution process. One way to streamline the regulatory process is to communicate clearly the information that is required for the agency to complete the processes. During the past few years many agency forms (such as the application, complaint, and claim forms) have been revised through various "plain talk" forums. The revisions have sought to make the forms easier to understand and consistent with other agency forms. These revisions have contributed to decreasing the rate of rejection in one area of the agency from 52% to 32% over the past few years. The agency will continue and also expand these review forums to include a review of form letters and various other template-like correspondence distributed from the agency. The revised forms, form letters, and other correspondence will streamline the regulatory process by better facilitating and improving the communication between the agency and the public.

## **Strategic Issue 1 - Efficient Delivery of Services**

### **Description**

As a regulatory agency the Registrar of Contractors is focused on streamlining and expediting the regulatory process. These regulatory processes include license processing and issuance to qualified applicants, complaint investigation and resolution, and recovery fund claim processing and payment of appropriate amounts to qualified claimants. Of the complaints filed with the offices of elected officials, the Ombudsman, and directly with the agency; 45% were categorized as complaints about the agency's processes. The agency will continue analyzing these complaints to identify and implement ways to streamline and simplify internal processes and better serve the public.

### **Goals**

To improve the delivery of services by decreasing the timeframes required to complete processes.

### **Strategies**

To decrease the timeframes to complete processes the agency will:

1. Identify internal processes that are (a) the most time consuming, or (b) the most frequent,
2. Analyze methods and options to reduce the timeframes for these processes while complying with all applicable laws and regulations, and
3. Apply reasonable changes that will maintain the quality and accuracy of the work product, while simultaneously reducing internal processing timeframes.

### **Performance Measures**

1. Average number of days to process an application and issue a new license.
2. Average number of days to close complaints in compliance.
3. Average number of days to close complaints through the arbitration process.
4. Average number of days to close complaints with a default order.
5. Average number of days to close complaints with an administrative hearing.
6. Average number of days to pay administrative recovery fund claims.
7. Average number of days to close investigations of unlicensed contracting.

## **Strategic Issue 2 – Effective Use of Technology**

### **Description**

As technology continues to progress, that which was once state of the art quickly becomes the baseline. The Registrar of Contractors has made much progress during the past few years in modernizing the agency's use of technology. Some of the advances have included implementation of an interactive voice response telephone system, relocation of agency servers to the ADOA data warehouse, and transition from an older COBOL-based to a newer SQL-based information system. Despite these improvements, additional technology improvements can be implemented. A recent technology assessment found that improvements could be made to more effectively use available data, and modern technology standards could also facilitate efficiency gains in various agency processes. The agency will strive to implement technology that will facilitate agency processes in the most effective and cost efficient manner. More effective use of technology can increase services to the public, reduce internal processing times, and decrease agency operating costs.

### **Goals**

To improve the use of technology by (a) using more effectively available data, and (b) implementing technology resources that will facilitate agency processes in the most effective and cost efficient manner.

### **Strategies**

To more effectively use data to improve agency processes the agency will:

1. Identify data structures and relationships that can be organized and connected to enable additional functionality,
2. Analyze methods, alternatives, and costs for improving these data structures, and
3. Apply reasonable changes that will improve the effective use of available data.

To implement technology that facilitates agency processes the agency will:

1. Identify internal processes that can be streamlined through the use of modern technology,
2. Analyze methods, alternatives, and costs for implementing technology changes, and
3. Apply reasonable changes that will improve the efficiency and quality of work of agency employees.

### **Performance Measures**

1. Percent of technology services internal agency customers indicating they received good or better customer service.
2. Percent of licenses renewed online.

## **Strategic Issue 3 – Clear & Consistent External Communications**

### **Description**

The Registrar of Contractors interacts with the public in many ways. One important method is through written communication on forms and letters. The most common forms and letters are associated with applying for and maintaining an active license, and filing a complaint and communicating the steps in the complaint resolution process. One way to streamline the regulatory process is to communicate clearly the information that is required for the agency to complete the processes. During the past few years many agency forms (such as the application, complaint, and claim forms) have been revised through various “plain talk” forums. The revisions have sought to make the forms easier to understand and consistent with other agency forms. These revisions have contributed to decreasing the rate of rejection in one area of the agency from 52% to 32% over the past few years. The agency will continue and also expand these review forums to include a review of form letters and various other template-like correspondence distributed from the agency. The revised forms, form letters, and other correspondence will streamline the regulatory process by better facilitating and improving the communication between the agency and the public.

### **Goals**

To improve external communications by reviewing and revising forms, form letters, and other template-like correspondence.

### **Strategies**

To review and revise external communication the agency will:

1. Identify all agency forms, form letters, and other template-like communication,
2. Analyze the substantive and formatting changes that could make the external communication more clear and consistent, and
3. Apply reasonable changes that will improve and better facilitate the communication between the agency and the public.

### **Performance Measures**

1. Percent of external customers responding that the license application forms and instructions are clear, concise, and understandable
2. Percent of external customers responding that the license renewal forms and instructions were clear, concise, and understandable.
3. Percent of external customers responding that the correspondence from the inspections department was clear, concise, and understandable.
4. Percent of external customers responding that the correspondence from the legal department was clear, concise, and understandable.
5. Percent of external customers responding that the correspondence from the recovery fund department was clear, concise, and understandable.
6. Percent of external customers responding that the correspondence from the investigations department was clear, concise, and understandable.

## Agency Summary

### REGISTRAR OF CONTRACTORS

William Mundell, Director  
Phone: (602) 542-1525  
A.R.S. § 32-1101

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
➤ REGULATORY AFFAIRS	7,995.5	12,059.8	12,059.8	12,059.8
<b>Agency Total:</b>	<b>7,995.5</b>	<b>12,059.8</b>	<b>12,059.8</b>	<b>12,059.8</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	7,995.5	12,059.8	12,059.8	12,059.8
Other Non Appropriated Funds	4,451.0	4,629.1	8,529.1	4,629.1
<b>Total Funding</b>	<b>12,446.5</b>	<b>16,688.9</b>	<b>20,588.9</b>	<b>16,688.9</b>
<b>FTE Positions</b>	<b>149.8</b>	<b>111.6</b>	<b>111.6</b>	<b>111.6</b>



**Program Summary**

REGULATORY AFFAIRS

Tyler Palmer, Chief of Staff  
 Phone: (602) 771-6710  
 A.R.S. § 32-1101

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	7,995.5	12,059.8	12,059.8	12,059.8
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>7,995.5</b>	<b>12,059.8</b>	<b>12,059.8</b>	<b>12,059.8</b>
<b>FTE Positions</b>	<b>144.8</b>	<b>105.6</b>	<b>105.6</b>	<b>105.6</b>

◆ **Goal 1** To improve the delivery of services by decreasing the timeframes required to complete processes.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average number of days to process an application and issue a new license.	36	36	26	26	26	26
Average number of days to close complaints in compliance.	36	36	37	37	37	37
Average number of days to close complaints with a default order.	225	225	293	293	293	293
Average number of days to close complaints with an administrative hearing.	0	0	NA	NA	NA	NA

**Explanation:** This measure has not been tracked in the past, but will be in the future.

Average number of days to pay administrative recovery fund claims.	438	438	536	536	536	536
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**Explanation:** A large portion of time is due to fund being out of money.

Average number of days to close investigations of unlicensed contracting.	27	27	34	34	34	34
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◆ **Goal 2** To improve the use of technology by (a) using more effectively available data, and (b) implementing technology resources that will facilitate agency processes in the most effective and cost efficient manner.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of technology services internal agency customers indicating they received good or better customer service.	46	46	69	69	69	69
Percent of licenses renewed online.	32	32	31	31	31	31

◆ **Goal 3** To improve external communications by reviewing and revising forms, form letters, and other template-like correspondence.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of external customers responding that the license application forms and instructions are clear, concise, and understandable.	70	70	67	67	67	67
Percent of external customers responding that the license renewal forms and instructions were clear, concise, and understandable.	88	88	84	84	84	84

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of external customers responding that the correspondence from the inspections department was clear, concise, and understandable.	91	91	95	95	95	95
Percent of external customers responding that the correspondence from the legal department was clear, concise, and understandable.	77	77	79	79	79	79
Percent of external customers responding that the correspondence from the recovery fund department was clear, concise, and understandable.	67	67	77	77	77	77
Percent of external customers responding that the correspondence from the investigations department was clear, concise, and understandable.	96	96	94	94	94	94

# Corporation Commission

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



## ARIZONA CORPORATION COMMISSION

# FIVE YEAR STRATEGIC PLAN

**FY2013 – FY2018**

### MISSION STATEMENT

- Exercise exclusive state regulatory authority over public service corporations (public utilities) in the public interest;
- Grant corporate status and maintain public records;
- Ensure the integrity of the securities marketplace; and
- Foster the safe operation of railroads and gas pipelines in Arizona.

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## **Overview**

The Arizona Corporation Commission was established in the Arizona Constitution in 1912. Only seven states have constitutionally formed Commissions. Arizona is one of thirteen (13) states with elected Commissioners. In the other thirty-seven (37) states, Commissioners are appointed by either the governor or the legislature.

In most states, the Commission is known as the Public Service Commission or the Public Utility Commission. However, in Arizona the Commission also oversees the process of incorporating or registering a company to do business in the state, registers and oversees securities offerings and dealers, and enforces railroad and pipeline safety.

By virtue of the Arizona Constitution, the Commissioners function in an executive capacity; they adopt rules and regulations thereby functioning in a legislative capacity; and they also act in a judicial capacity sitting as a tribunal and making decisions in contested matters. The Commission is required by the Arizona Constitution to maintain its chief office in Phoenix and is required by law to conduct monthly meetings.

## **Organization**

Commissioners are elected by the people of Arizona for a four-year term, with two or three members standing for election in the statewide general election in alternating election cycles. In the case of a vacancy, the Governor appoints a Commissioner to serve until the next general election. In the 2000 General Election, the Arizona Corporation Commission was the subject of a ballot proposition expanding the Commission by two seats to a total of five members.

Ultimate responsibility for final decisions on granting or denying rate adjustments, enforcing safety and public service requirements, and approving securities matters rests with the Commissioners. The administrative head of the Commission is the Executive Director who serves at the pleasure of the Commissioners. He is responsible to the Commissioners for the day to day operations of all Divisions.

## **Division Overview**

The Commission is organized into eight Divisions. They are: *Administration, Corporations, Hearings, Information Technology, Legal, Safety, Securities, and Utilities*. Each Division is headed by a Division Director who reports to the Executive Director. The Divisions are responsible for revenue generation as well as being subject to legislative appropriation.

### ***Administration***

The Administrative Services Director oversees the administrative and fiscal functions of the Commission. The Administrative Services office provides accounting, payroll, purchasing, and personnel support for the entire Commission. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

### ***Corporations***

The Corporations Division is comprised of five (5) sections including Annual Reports, Corporate Filings, Records, Call Center, and Initial Processing, as well as a small satellite office in Tucson.

The Corporations Division approves for filing all articles of incorporation, amendments to articles, mergers, consolidations, withdrawals, and dissolutions for Arizona corporations; approves corporate and limited liability company (LLC) names; approves all articles of organization, amendments, changes and terminations for LLCs; grants authority to foreign corporations and LLCs transacting business in this State; propounds interrogatories when necessary; and may administratively dissolve or revoke corporations and LLCs that do not comply with specific provisions of Arizona law.

The Division collects from every corporation an annual report reflecting the current statutory agent, corporate address, amount of stock issued (for-profits), lists of officers and directors, Certificate of Disclosure, Statement of Bankruptcy. The Division updates the corporation's public record with information provided by the annual report and also when amendments or changes are submitted by the corporation. The Division must maintain all information on corporations and LLCs in a data format conducive to public access; respond to public questions concerning Arizona corporations and LLCs; and respond to the needs of the business sector by disseminating information. The Division has limited investigatory powers and no regulatory authority. Arizona corporations and LLCs, however, may be administratively dissolved if certain statutory requirements are not met. Likewise, the authority of foreign (non-Arizona) corporations or LLCs to transact business in Arizona may be administratively revoked. The Division acts as an agent for Arizona corporations and limited liability companies whenever either entity does not maintain a statutory agent or when the agent cannot be located. In these instances, services of process directed to the entity are accepted by the Records Section on behalf of the entity. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

### ***Hearings***

The Hearing Division exercises the Commission's authority to hold public evidentiary hearings on matters involving the regulation and deregulation of public service corporations, the sale of securities and the registration of non-municipal corporations. Under the direction of the presiding Administrative Law Judge ("ALJ"), proceedings are conducted on a formal basis through the taking of sworn testimony, the cross-examination of witnesses, the admission of documentary and other physical evidence, and the submission of oral arguments or post-hearing briefs.

Evidentiary and procedural rulings are made by the presiding Administrative Law Judge from the bench. Rate and Certificate of Convenience and Necessity ("CC&N") applications are processed under the procedural schedule established by the Administrative Law Judges, in order to ensure that recommended Opinion and Orders are issued in a timely manner within the framework of the Commission's rules.

The Division is also responsible for Commission record-keeping through its Docket Control Center. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

### ***Information Technology***

The Information Technology Division provides technology services and support such as application development, network services, hardware support, and project management for the entire Commission. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

### ***Legal***

Matters handled by the Legal Division fall into five general categories: Commission dockets; federal regulatory dockets; litigation; other administrative matters; and special projects. Most of the division's resources are devoted to commission proceedings and to litigation. The Legal Division represents the Commission in all matters relating to public utility-rate setting, and in other areas not associated with the Securities Division. Securities-related legal cases are litigated by the Attorney General's Office. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

### ***Safety***

The Safety Division consists of two groups—*Pipeline Safety* and *Railroad Safety*. The Pipeline Safety Section enforces the Arizona Underground Facilities Law and oversees the construction, Operations, and maintenance of all intrastate and interstate natural gas, other gases, liquefied natural gas, and hazardous liquid pipeline facilities operating within the State of Arizona. The Railroad Safety Section oversees the operation and maintenance of all railroad operations; track maintenance and railroad/street grade crossings. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

### ***Securities***

The Division reviews prospective offerings of securities to ascertain that full and fair disclosure is made to potential securities investors and that the terms of offerings are not inherently fraudulent. Securities dealers and salespersons are required to register with the Division. Investment advisers and their representatives are required to be licensed by the Division unless exempt. The Division reviews these applications and monitors the conduct of dealers and salespersons, investment advisers, and their representatives and investigates possible violations. Where the evidence warrants, the Division brings administrative, civil, or criminal enforcement actions. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

### ***Utilities***

The Utilities Division carries out its responsibilities through five organizational sections: Finance and Regulatory Analysis, Telecom and Energy, Engineering, Compliance, and Consumer Services.

The Utilities Division makes specific recommendations to the Commissioners to assist them in reaching decisions regarding public utility rates, financial condition and quality of service for approximately 670 traditional utilities. The Division implements the Commission rules for deregulation of segments of the telecommunications and electric industries. The Division conducts research, presents evidence in hearings, and contracts with utility rate analysts and expert witnesses in carrying out its responsibilities. The Division also monitors compliance with Commission decisions. The staff conducts public workshops and other public proceedings on various regulatory



topics. The Division is working towards improving efficiency through modernization of electronic processing and enhancing the Division's information technology and infrastructure.

## **DIVISION MISSION STATEMENTS**

### **Administration**

**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.

### **Corporations**

**Mission:** To approve corporate names and grant corporate or limited liability company status to entities organizing under the laws of the State of Arizona; to approve applications from foreign corporations and limited liability companies to transact business in this State; to collect annual reports from all corporations of record; and to maintain corporate and limited liability company records for the benefit of public record and service of process

### **Hearings**

**Mission:** To preside over administrative hearings and procedural conferences concerning complex utility and securities matters, and to write and submit Proposed Opinion and Orders for the Commissioners' consideration at Open Meeting.

### **Information Technology**

**Mission:** To provide accurate, efficient, and timely technology design, development, implementation, communications and maintenance support services to the agency and its respective divisions.

### **Legal**

**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.

### **Safety**

#### *Railroad*

**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.

#### *Pipeline*

**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.

## **Securities**

**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.

## **Utilities**

**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

## **GOALS**

### **Administration**

1. To ensure all matters coming before the Commission are resolved in a timely manner, in accordance with administrative procedures.
2. To provide business services to all Divisions.

### **Corporations**

1. To provide customers with timely processing of their business documents.
2. To provide customers the most expedient public information services possible.
3. To streamline and improve internal customer-related administrative/ operational functions.
4. To expand training opportunities for division staff members.
5. To continually improve customer service and customer satisfaction.

### **Hearings**

1. To conduct fair and impartial hearings, and to propose timely, factually, and legally sound Orders for the Commissioners' consideration.
2. To provide timely and efficient docket services to regulated utilities and consumers.

### **Information Technology**

1. To provide electronic interaction effectively with the public and other governmental entities. In addition, to implement effective protocols, software, and communication with the public to allow them to retrieve and submit data, forms, and all other documents.
2. To use information technologies effectively to enhance intra-agency Communications.
3. To improve employees' preparation to use technology and react to their job-specific needs.

### **Legal**

1. To provide efficient, high-quality legal representation.
2. To provide high-quality representation in administrative matters before the Corporation Commission.
3. To provide high-quality representation in Judicial matters before various courts.
4. To provide high-quality legal advice to the Commission.

## **Safety**

### *Railroad*

1. To promote and ensure the safe operation of Arizona railroads.
2. To ensure rail/highway grade crossings safety.

### *Pipeline*

1. To protect the public and the environment by providing the highest level of pipeline safety awareness.
2. To ensure the pipeline operators in Arizona operate gas pipeline systems as safely as possible.
3. To receive and maintain an interagency agreement with the Federal Dept. of Transportation to ensure safe operations of interstate pipeline
4. To maintain and improve the professional skills of the ACC pipeline staff.

## **Securities**

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.
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.
3. Continue to monitor the integrity of the investment marketplace to allow for enhanced capitol formation while deterring and adjudicating fraudulent practices.

## **Utilities**

1. To ensure that utility service within the Commission's jurisdiction is available to all consumers at authorized rates.
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.
3. To maximize the Division's operating efficiency through modernization of electronic processing and enhancing the Division's information technology.
4. To maintain public involvement, accessibility, and regulatory oversight by conducting workshops, forums, and community outreach programs.

## **PERFORMANCE MEASURES**

### **Administration**

1. Increase rate-case efficiencies by reducing the interval between “sufficiency” and final disposition.
2. Monitor the number of division purchase orders issued.

### **Corporations**

1. Measure processing times of regular and expedited filings.
2. Compare the number of public information requests by type and response time.
3. Measure internal agency document processing activities.
4. Maintain and promote professional staff development.
5. Evaluate and utilize feedback from customer satisfaction surveys

## **Hearings**

1. Monitor the number of re-hearings due to Hearing Officer error.
2. Maintain efficient processing times and protect the integrity of all public record papers.

## **Information Technology**

1. Monitor electronic public access and electronic filings.
2. Monitor internal agency electronic usage.
3. Maintain updated staff development through IT training courses.

## **Legal**

1. Maintain current attorney/staff continuing legal education.
2. Monitor legal activities by task and caseload.
3. Monitor appeals of commission decisions and related pleadings.
4. Monitor attorney caseload by the number of appearances and by type of hearing.

## **Safety**

### *Railroad*

1. Track the frequency of inspections (by type), violations, derailments, complaints, safety presentations; monitor Hazmat accidents/incidents.
2. Monitor grade crossings and signal/train control inspections.

### *Pipeline*

1. Monitor violations and inspections (by type), and track public awareness seminars.
2. Measure the number of intrastate violations and master meter violations corrected; maintain safety training classes for Master Meter and Blue Stake, and track class attendance.
3. Maintain renewal of interstate agreements for gas and liquids.
4. Maintain professional staff development and training.

## **Securities**

1. Examine all incoming applications/filings, registrations/exemptions, examinations, dealer and salesmen registrations and measure internal agency review time.
2. Measure and monitor the number of enforcement actions/proceedings by type and outcome.

## **Utilities**

1. Measure the annual number of rate cases and tariff applications against the number of utilities regulated.
2. Monitor the number of filings, applications and interconnection agreements.
3. Track of the number of consumer complaints/requests submitted electronically.
4. Track the number of public programs conducted.

## STRATEGIC ISSUES

### **Strategic Issue 1:    Electronic filing agency-wide at the Arizona Corporation Commission**

**Description:** Electronic filing in all divisions at the Commission will allow the public to submit and access different types of filings regarding proceedings, rulemakings, licensing, authorizations, complaints, annual reports and other official forms.

**Objective:** To complete the process of transitioning to an agency-wide electronic filing platform by FY2018

**Strategies:** Beginning in FY2013 and continuing through FY2018, the Commission will:

- Perform a detailed review of all filings at the Commission.
- Make an assessment of the transition process to electronic filing platform agency-wide.
- Develop and integrate the necessary databases so that all public information is gathered and processed in a streamlined manner so as to provide easy access to filings, information and reports.

#### ***Resource Assumptions:***

Funding: The anticipated need to fund this project beginning in FY2015 is approximately \$1,000,000 (PAF, SRF, SIA and URRF fund sources).

Employee capacity: The commission will utilize current staff as well as hire outside consultants to perform tasks required for implementation.

### **Strategic Issue 2:    Update Division database reporting capabilities**

**Description:** Updating the database reporting capabilities of the Utilities and Securities Divisions will better enable staff to meet the needs and demands of their customers, and the citizens of Arizona whom they serve.

**Objective:** Beginning in FY 2015, the Commission will initiate the process of assessing and updating the software needs of the Utilities and Securities divisions.

#### ***Strategies:***

- Review the current needs of the division.
- Plan and develop the requirements and configurations of the necessary software.
- Install and test the new software.
- Evaluate the software to rate its success.

#### ***Resource Assumptions:***

Funding: At this time, estimated costs for updating the software and database for the Securities Division are \$500,000. This customizable software is in use by other states' securities regulatory agencies. (SRF and SIA fund sources)

The anticipated need to fund 2 mid-level developers as well as consultants for the Utilities Division database update is approximately \$500,000. (URRF fund source)

Securities - \$500,000

Utilities - \$500,000

Total funding: \$1,000,000

Employee Capacity:

1. Re-deploy current staff from current projects to these new projects.
2. Add two (2) additional mid-level developers to assist with these projects.
3. Using consultants as part of this effort is anticipated.

## Agency Summary

### CORPORATION COMMISSION

Ernest G. Johnson, Executive Director

Phone: (602) 542-3931

Arizona Constitution Article XV, A.R.S. § 40-101 et seq.

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ ADMINISTRATION	3,262.9	3,510.9	3,160.9	3,160.9
➤ HEARINGS	1,547.0	2,000.0	2,000.0	2,000.0
➤ CORPORATIONS	4,030.9	4,170.6	4,170.6	4,170.6
➤ SECURITIES	4,465.5	4,350.0	4,350.0	4,350.0
➤ RAILROAD SAFETY	538.2	589.1	589.1	589.1
➤ PIPELINE SAFETY	1,671.9	1,660.8	1,660.8	1,660.8
➤ UTILITIES	5,317.5	6,074.8	5,780.0	5,780.0
➤ LEGAL	1,780.2	1,850.0	1,850.0	1,850.0
➤ INFORMATION TECHNOLOGY	2,574.9	2,745.8	2,745.8	2,745.8
<b>Agency Total:</b>	<b>25,189.0</b>	<b>26,952.0</b>	<b>26,307.2</b>	<b>26,307.2</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	596.2	589.1	589.1	589.1
Other Appropriated Funds	23,456.4	25,307.3	24,957.3	24,957.3
Other Non Appropriated Funds	1,136.4	1,055.6	760.8	760.8
<b>Total Funding</b>	<b>25,189.0</b>	<b>26,952.0</b>	<b>26,307.2</b>	<b>26,307.2</b>
<b>FTE Positions</b>	<b>314.3</b>	<b>303.9</b>	<b>299.9</b>	<b>299.9</b>

**Program Summary**

**ADMINISTRATION**

Kimberly Battista, Director  
 Phone: (602) 542-0747  
 A.R.S. § 40-105

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	78.7	0.0	0.0	0.0
Other Appropriated Funds	3,184.2	3,510.9	3,160.9	3,160.9
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>3,262.9</b>	<b>3,510.9</b>	<b>3,160.9</b>	<b>3,160.9</b>
<b>FTE Positions</b>	<b>29.0</b>	<b>27.0</b>	<b>27.0</b>	<b>27.0</b>

- ◆ **Goal 1** To ensure all matters coming before the Commission are resolved in a timely manner, in accordance with administrative procedures.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of open meetings held	63	65	59	65	65	65
Agenda items considered	547	550	439	450	450	450
Claims processed	1,510	1500	1609	1600	1600	1600
Revenue deposited with the Treasurer (in millions)	60	62	60	60	60	60

- ◆ **Goal 2** To provide business services to all Divisions.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Purchase orders issued	199	250	196	200	200	200



**Program Summary**

HEARINGS

Lyn A. Farmer, Chief Hearing Officer  
 Phone: (602) 542-4250  
 A.R.S. § 40-243 to 40-255

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,547.0	2,000.0	2,000.0	2,000.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,547.0</b>	<b>2,000.0</b>	<b>2,000.0</b>	<b>2,000.0</b>
<b>FTE Positions</b>	<b>16.0</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>

- ◆ **Goal 1** To conduct fair and impartial hearings, and to propose timely, factually, and legally sound Orders for the Commissioners' consideration.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Rehearings granted - Hearing Officer's error	0	0	0	0	0	0
Procedural Orders issued	531	600	507	600	520	520
Proposed Orders issued	155	155	132	155	135	135

- ◆ **Goal 2** To provide timely and efficient docket services to regulated utilities and consumers.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Open Meeting items processed	1,220	1,200	1,140	1,200	1,200	1,200
Filings docketed (in thousands)	9	9	9	9	9.5	9.5
Number of Decisions	700	700	803	700	700	700

**Program Summary**

CORPORATIONS

Patricia L. Barfield, Director  
 Phone: (602) 542-3521  
 A.R.S. Title 10

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	4,030.8	4,170.6	4,170.6	4,170.6
Other Non Appropriated Funds	0.1	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,030.9</b>	<b>4,170.6</b>	<b>4,170.6</b>	<b>4,170.6</b>
<b>FTE Positions</b>	<b>79.5</b>	<b>69.5</b>	<b>69.5</b>	<b>69.5</b>

◆ **Goal 1** To provide customers with timely processing of their business documents.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of expedited requests achieved within 5 business days	100	100	100	100	100	100
Percent of regular requests achieved within 30 business days	100	100	100	100	100	100
Range of days to process expedited requests - corporate filings	2-8	2-5	2-5	2-5	2-5	2-5
Range of weeks to process regular requests - Corporate Filings	5-7	4-6	3-6	3-6	3-6	3-6
Total active corporations and Limited Liability Corporations recorded	678,983	685,000	726,528	780,000	780,000	780,000
Total filings received	351,966	365,000	368,002	385,000	385,000	385,000
Average turnaround time (days) for normal Annual Reports	26	26	22	22	22	22
Average turnaround time (days) for expedited Annual Reports	2	2	2	2	2	2
Annual reports filed	137,614	170,000	134,863	135,000	135,000	135,000
Number of e-filed Annual Reports	96,922	120,000	97,835	120,000	120,000	120,000

◆ **Goal 2** To provide customers the most expedient public information services possible.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Division-wide incoming calls for corporate filings and records, annual reports, and calls to Tucson office	149,163	165,000	141,102	145,000	145,000	145,000
Division-wide calls answered	123,184	140,000	109,328	125,000	125,000	125,000
Days to process expedited requests - Records Section	1-3	1-3	1-3	1-3	1-3	1-3
Days to process regular requests - Records Section	5-7	5-7	5-7	5-7	5-7	5-7
Mail and counter work orders	31,235	33,000	31,951	33,000	33,000	33,000
Number of website hits	98,349	65,000	4,087,592	4,500,000	4,500,000	4,500,000
Corps. Homepage hits	3,805	3,000	410,552	500,000	500,000	500,000

**Explanation:** Changed count from "hundreds" to "thousands" in FY08.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Corps. Forms Index hits	2,115	1,200	794,906	820,000	820,000	820,000
Annual Report Views	93	275	325,937	326,000	326,000	326,000
Total number of document images viewed	15,076	16,000	17,017,965	17,500,000	17,500,000	17,500,000

◆ **Goal 3** To streamline and improve internal customer-related administrative/ operational functions

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Total mail received - division-wide, including faxes	139,232	150,000	140,046	150,000	150,000	150,000
Initial Processing Section documents scanned	231,703	290,000	244,402	290,000	290,000	290,000
Division checks processed	105,660	110,000	110,984	115,000	115,000	115,000

◆ **Goal 4** To expand training opportunities for division staff members.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
General in-house class hours	109	150	327.5	350	350	350
Class hours per full-time equivalent (FTE)	1.79	2.5	5.37	5.74	5.74	5.74

◆ **Goal 5** To continually improve customer service and customer satisfaction.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Overall satisfaction score from customer surveys on a 8.0 scale	7.7	7.8	7.2	7.8	7.8	7.8

**Explanation:** (on scale of 1-8; 8=high)

**Program Summary**

SECURITIES

Matthew Neubert, Director  
 Phone: (602) 542-0605  
 A.R.S. §§ 44-1801 to 44-2041

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	4,465.5	4,350.0	4,350.0	4,350.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,465.5</b>	<b>4,350.0</b>	<b>4,350.0</b>	<b>4,350.0</b>
<b>FTE Positions</b>	<b>55.3</b>	<b>50.4</b>	<b>50.4</b>	<b>50.4</b>

- ◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of applications/filings	24,423	20,000	24,170	20,000	20,000	20,000
Number of registrations/exemptions	25,782	21,000	25,517	21,000	21,000	21,000
Number of exemptions (Rule 126)	1,259	1,500	1,248	1,500	1,500	1,500
Number of months required to review applications	1.5	1.5	1.5	1.5	1.5	1.5
Number of other exemptions	100	100	99	100	100	100
Number of name changes	2,082	2,000	1,482	2,000	2,000	2,000
Number of dealer examinations	5	15	6	15	15	15
Number of dealer registrations	2,104	2,000	2,075	2,000	2,000	2,000
Number of salesman registrations	172,478	175,000	175,753	175,000	175,000	175,000
Number of IA registrations	395	350	477	350	350	350
Number of IAR registrations	5,533	4,000	6,007	4,000	4,000	4,000
Number of IA examinations	28	35	58	35	35	35
Number of Public Educational Programs	45	55	45	55	55	55
Number of Legislative initiatives	0	0	0	0	0	0

- ◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of complaints	306	250	230	250	250	250
Enforcement action: number of investigations initiated	38	45	32	45	45	45
Enforcement action: number of subpoenas issued	332	300	385	300	300	300
Commission Order: Number of Cease and Desist Orders	49	35	29	35	35	35
Commission Order: Fines- Number of Respondents	105	50	43	50	50	50
Commission Order: Restitution - Number of Respondents	77	40	38	40	40	40
Number of civil cases initiated	1	2	0	2	2	2

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of indictments - True Bills	6	7	11	7	7	7
Number of civil proceedings closed	0	3	0	3	2	2
Number of civil proceedings open at year end	5	2	5	2	2	2
Total examinations under oath	43	50	50	50	50	50
Number of cases to hearing	7	5	6	5	5	5
Administrative Proceedings: Number Respondents	102	45	60	45	45	45
Number of administrative proceedings initiated	35	20	20	20	20	20
Civil Proceeding Initiated : Number of Defendants	42	5	0	5	5	5
Number Criminal Defendants - Indicted	10	10	15	10	10	10
Number of Criminal Restitution Orders	10	8	6	8	8	8
Number of Defendant Pleas and Convictions	7	8	8	8	8	8
Number of Investigations Closed	50	50	20	50	50	50
Number of Investigations Open at Year End	69	70	81	70	70	70
Number of Respondents: Commission Orders	134	65	60	65	65	65

**Program Summary**

RAILROAD SAFETY

Robert Marvin, Director  
 Phone: (602) 262-5601  
 A.R.S. §§ 42-201 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	517.5	589.1	589.1	589.1
Other Appropriated Funds	20.7	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>538.2</b>	<b>589.1</b>	<b>589.1</b>	<b>589.1</b>
<b>FTE Positions</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>

◆ **Goal 1** To promote and ensure the safe operation of Arizona railroads.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Miles of railroad track inspected	1,150	1,200	1,167	1,200	1,250	1,250
Freight cars inspected	2,183	2,500	1,983	2,500	2,500	2,500
Locomotive units inspected	160	160	167	160	160	160
Operating practices inspections	0	0	0	50	100	110
Hazardous materials inspections	3,219	3,300	2,464	1,500	3,000	3,000
Grade crossing inspections	187	250	211	225	230	230
Industrial spur track inspections	6	10	9	10	10	10
Federal violations filed	16	25	12	15	15	15
Derailments	23	20	14	15	15	15
Number of grade crossing accidents	19	25	19	25	25	25
Other accidents	3	2	4	4	4	4
Grade crossing complaints	28	30	33	30	30	30
Other complaints	11	15	9	15	15	15
Operation Lifesaver presentations	5	3	6	5	5	5
HazMat Accidents/Incidents	13	12	7	12	12	10

◆ **Goal 2** To ensure rail/highway grade crossings safety.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Grade crossings improved	7	10	10	12	10	10
New Grade Crossings Installed	1	1	0	1	1	1
Signal & Train control inspections	14	15	15	15	15	15
Signal system components inspected	486	550	416	500	550	550

**Program Summary**

PIPELINE SAFETY

Robert Marvin, Director  
 Phone: (602) 262-5601  
 A.R.S. §§ 42-201 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	844.6	900.0	900.0	900.0
Other Non Appropriated Funds	827.3	760.8	760.8	760.8
<b>Total Funding</b>	<b>1,671.9</b>	<b>1,660.8</b>	<b>1,660.8</b>	<b>1,660.8</b>
<b>FTE Positions</b>	<b>17.0</b>	<b>17.0</b>	<b>17.0</b>	<b>17.0</b>

◆ **Goal 1** To protect the public and the environment by providing the highest level of pipeline safety awareness.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Fines collected (in thousands)	34	50	9	20	20	20
Total intrastate inspections	99	80	121	80	80	80
Violations: Intrastate (major operators only)	142	165	120	75	75	75
Violations: Master Meter	1,231	1,189	1,001	1,116	1,116	1,116
Total master meter inspections	1,238	1,329	1,160	1,199	1,199	1,199
Total number of code compliance inspections	1,346	1,410	1,281	1,313	1,313	1,313
Total Bluestake violations written	96	100	59	75	75	75
Random Bluestake inspections	135	60	12	30	30	30
Seminars/Public awareness meetings held	24	28	18	22	22	22
Investigated incidents	226	272	206	206	206	206
Total number of Interstate pipeline safety violations	2	0	2	0	0	0
Total interstate inspections	9	15	11	12	12	12

◆ **Goal 2** To ensure the pipeline operators in Arizona operate gas pipeline systems as safely as possible.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Total intrastate violations corrected (major operators only)	153	100	120	75	75	75
Major pipeline operators training classes held	0	2	2	0	2	0
Master Meter training classes held/persons attending	16/223	16/268	17/274	16/225	16/225	16/225
Bluestake training classes held/persons attending	40/2,200	36/2,000	35/1,795	36/2,000	36/2,000	36/2,000
Total master meter violations corrected	1,411	1,237	1,009	1,116	1,116	1,116

◆ **Goal 3** To receive and maintain an interagency agreement with the Federal Dept. of Transportation to ensure safe operations of interstate pipeline.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Renewal of interstate agreement for gas and liquid	2	2	2	2	2	2

◆ **Goal 4** To maintain and improve the professional skills of the ACC pipeline staff.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Development/updating of training courses for staff	6	6	6	6	6	6

**Program Summary**

UTILITIES

Steve Olea, Director  
Phone: (602) 542-4251  
A.R.S. § 40-201 et. seq.

Funding:	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	5,008.5	5,780.0	5,780.0	5,780.0
Other Non Appropriated Funds	309.0	294.8	0.0	0.0
<b>Total Funding</b>	<b>5,317.5</b>	<b>6,074.8</b>	<b>5,780.0</b>	<b>5,780.0</b>
<b>FTE Positions</b>	<b>72.0</b>	<b>73.0</b>	<b>69.0</b>	<b>69.0</b>

- ◆ **Goal 1** To ensure that utility service within the Commission's jurisdiction is available to all consumers at authorized rates.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Utilities regulated	631	625	558	550	550	550
Rate cases completed	52	50	30	45	45	45
Tariff applications processed	165	160	208	200	200	200

- ◆ **Goal 2** To promote the transition of the telecommunications and electricity generation markets from the current regulated monopoly structure to one of competition while ensuring safe and reliable service.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
CLEC applications filed	12	10	12	12	12	12
Reseller applications filed	4	10	5	5	5	5
Certifications processed: CLECs	14	12	13	12	12	12
Certifications processed: Resellers	9	15	10	15	15	15
CLEC interconnection agreements processed	43	50	29	45	45	45

- ◆ **Goal 3** To maximize the Division's operating efficiency through modernization of electronic processing and enhancing the Division's information technology.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Consumer complaints/requests submitted electronically	10,331	10,500	3,700	7,100	7,100	7,100

- ◆ **Goal 4** To maintain public involvement, accessibility, and regulatory oversight by conducting workshops, forums, and community outreach programs.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of public awareness functions	45	45	25	35	35	35
Number of water workshops	6	5	0	5	5	5
Number of electric workshops	12	10	1	5	5	5



**Program Summary**

LEGAL

Janice Alward, Chief Counsel  
 Phone: (602) 542-6029  
 A.R.S. § 40-106

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,780.2	1,850.0	1,850.0	1,850.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,780.2</b>	<b>1,850.0</b>	<b>1,850.0</b>	<b>1,850.0</b>
<b>FTE Positions</b>	<b>19.5</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>

◆ **Goal 1** To provide efficient, high-quality legal representation.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Education and training expenditures (\$)	1,544	6,720	7,171	7,200	7,200	7,200
Attorney legal education classes completed	14	6	25	20	20	20
Job-related education classes for attorneys	90	37	72	75	75	75
Classes completed: job-related education for support staff	24	3	3	3	3	3
Classes completed: other education	39	0	0	0	0	0
Expenditures on advanced research tools	32,354	34,000	36,743	40,060	4,141	4,224

◆ **Goal 2** To provide high-quality representation in administrative matters before the Corporation Commission.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Docketed matters handled	494	500	427	500	500	500
Administrative hearing days handled by the Legal Division	23	100	28	30	30	30
Orders to Show Cause prepared by the Legal Division	2	1	1	1	1	1
Formal complaints prepared by the Legal Division	1	1	0	1	1	1
Discovery/Data Requests/ Responses/ Oppositions prepared	247	450	284	300	300	300
Motions, Briefs, & other pleadings prepared	239	350	253	300	300	300

◆ **Goal 3** To provide high-quality representation in Judicial matters before various courts.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Commission actions appealed to courts	7	3	1	3	3	3
Motions, briefs and other pleadings filed in courts	19	20	8	20	20	20

◆ **Goal 4** To provide high-quality legal advice to the Commission.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Open/Special Open Meetings attended by Legal counsel	65	65	50	65	65	65

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
<b>Explanation:</b> On numerous occasions, more than 1 staff member attend.						
Line Siting hearing days attended by counsel	0	23	0	2	2	2
<b>Explanation:</b> On numerous occasions, more than 1 staff member attend.						
Commission Staff Meetings attended by counsel	13	35	19	20	20	20
<b>Explanation:</b> On numerous occasions, more than 1 staff member attend.						
Commission hearing days attended by counsel	162	135	202	200	200	200

**Program Summary**

INFORMATION TECHNOLOGY

Clark Lathrum, Director  
 Phone: (602) 542-0671  
 A.R.S. § 40-105 (B)(2)

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	2,574.9	2,745.8	2,745.8	2,745.8
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>2,574.9</b>	<b>2,745.8</b>	<b>2,745.8</b>	<b>2,745.8</b>
<b>FTE Positions</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>

- ◆ **Goal 1** To provide electronic interaction effectively with the public and other governmental entities. In addition, to implement effective protocols, software, and communication with the public to allow them to retrieve and submit data, forms, and all other documents.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of website hits to databases (in millions)	85.4	90	142.3	200	225	250
Number of entities available via the internet (in thousands)	682	700	726.5	750	775	800
Number of dockets available via the internet	16.9	17	17.5	18	18.3	18.8
Number of filings submitted electronically to the ACC (in thousands)	333.6	350	333.3	400	425	450
Streaming media access hours (in thousands)	3.1	23	7.3	15	18	20

- ◆ **Goal 2** To use information technologies effectively to enhance intra-agency communications

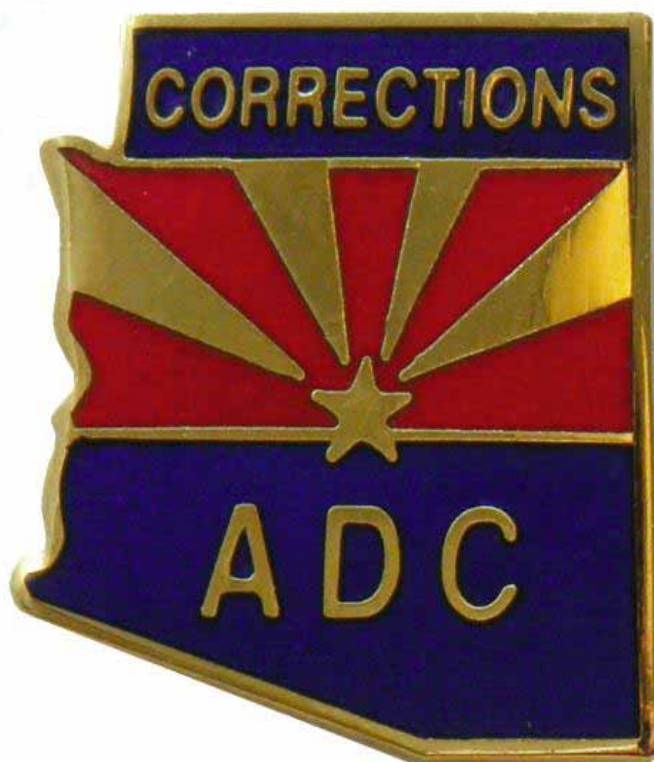
<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of hits to agency intranet pages (in millions)	3,045.6	3,200	4,463	5,000	5,700	6,300
Percentage of staff using electronic document management integrated with business processes.	60	65	65	70	70	75

- ◆ **Goal 3** To improve employees' preparation to use technology and react to their job-specific needs.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of staff in attendance at IT-related training classes	64	70	55	70	70	70
Number of staff in attendance at formal IT-related security classes	15	20	20	20	20	30

# Department of Corrections

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



**ARIZONA DEPARTMENT OF  
CORRECTIONS**

**FIVE-YEAR STRATEGIC PLAN  
FY 2014 to FY 2018**

**Charles L. Ryan  
Director**

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## EXECUTIVE SUMMARY

The Arizona Department of Corrections (Department), with a Fiscal Year (FY) 2013 appropriated budget of \$1,005,942,400 and over 9,200 employees, is one of the largest departments in Arizona State Government. The Arizona Department of Corrections serves and protects the people of the state of Arizona by incarcerating inmates in correctional facilities and supervising conditionally released offenders in the community. During incarceration, medical care and other health and welfare services are provided to inmates. In addition, programs such as work, education, training, substance abuse treatment, sex offender treatment, and spiritual services are provided to inmates to promote employability, literacy, sobriety, and accountability to crime victims and to increase the likelihood that released inmates will become law-abiding citizens upon release.

In looking at the opportunities and challenges facing Arizona in the next five years, the Arizona Department of Corrections has identified five strategic issues that align with the Department's vision and mission and focus the Department's long-term strategic direction through corresponding Goals, Objectives and Performance Measures.

## AGENCY STRATEGIC ISSUES

### **STRATEGIC ISSUE 1: Managing Changes in Inmate Population**

Historically, the inmate population increased from an average daily population of 29,936 in FY 2001 to 40,226 in FY 2011 (34.4% increase). After continuous inmate population growth from FY 2001 to FY 2010, with a monthly average growth rate of 117 inmates, inmate population growth dramatically declined in FY 2010 and FY 2011. ADC grew by only 65 inmates in FY 2010, and then actually declined by 296 inmates in FY 2011. This trend continued in FY 2012, with an average daily population of 40,011; at the end of FY 2012, the Department housed 39,877 convicted felons. Although inmate population growth slowed from FY 2010 through FY 2012, the Department must continue to use planning and process improvement strategies throughout the organization to maximize resources and to ensure the safety of the public, staff, and inmates. Despite the stabilization of the inmate population overall, specific segments of inmates are increasing (such as maximum security, sex offenders, and protective segregation), requiring the continued focus on accurate bed plan forecasting and optimal program availability and alignment. There remains a need for efficient control of population movement and management of permanent state beds and contracted private beds; maximization of inmate programming and complex scheduling; effective management of an aging inmate population; development of a viable workforce through targeted staff recruitment and retention; and appropriate allocation of resources to address unmet state prison physical plant needs. The Department is also responding to the reduction in the minimum custody inmate population by looking for opportunities to close minimum custody units that are no longer necessary and to shift those resources to other facilities.

### **STRATEGIC ISSUE 2: Enhancing Security and Oversight of Prison Operations**

When Director Charles L. Ryan assumed Department leadership in January 2009, he began a systemic review of the operational and administrative practices at both state-operated and contracted private prisons, focusing on the strict and uniform compliance with Department policy, especially safety and security practices. Since then, the Department has worked diligently to develop systems to strengthen state-operated and contracted private prison oversight, including

enhancements to the significant incident reporting (SIR) process; strengthening of institutional and agency-wide emergency response; collection and analysis of assault data and mortality data; and improved private prison contract monitoring. The Department enhanced the Office of the Inspector General (IG) investigative processes and created a new inspection program within that office, including an annual audit instrument designed to identify areas of non-compliance and violations of policy for correction. In addition, the data and information are used to make systemic operational changes to reduce violations and ensure safety. As part of this strategic issue, the Department will continue to work to improve its oversight procedures, provide ongoing staff training, increase security and staff presence among inmates, ensure safe housing assignments, and develop sound intervention strategies for high-risk inmates.

### **STRATEGIC ISSUE 3: Maximizing Efficiency through Privatization of Services and Public/Private Partnerships**

The Department has been actively engaged in privatization and efficiency efforts since 1986. With over 600 current contracts, the Department uses private contractors for many functions, including operating private prisons that house state inmates; correctional health services; inmate food services; inmate commissary services; inmate telephone services; and inmate career training provided through Arizona Community Colleges. As part of this strategic issue, the Department is undertaking a number of initiatives: Legislatively mandated privatization of all inmate health services as of July 1, 2012; Legislatively mandated addition of 1,000 private medium beds; inquiry concerning private sector interest in managing a Community Correction Center for offenders on community supervision in Maricopa County; and the exploration of viable opportunities for additional privatization.

### **STRATEGIC ISSUE 4: Integration of ADC Technology and Service Delivery in Support of Knowledge Management and Business Intelligence**

In order for the Department to ensure relevance and sustainability in carrying out its mission, there is a need to ensure that technological systems and services support the collection of accurate data, the synthesis of data into information, and the creation of knowledge and expertise on which to base current and future decisions. The need for viable technology; process automation; system integration; and secure information systems that are efficient, effective, standardized, and easy to use are essential to the ability of the Department to continue to effectively carry out its mission and its obligations to the public. The Department recognizes that part of public stewardship is to ensure the judicious use of staff and financial resources. Without viable hardware and software solutions, integrated platforms, and automated processes in place, it will become increasingly difficult for the Department to provide appropriate services in an efficient and safe manner. As part of this strategic issue, the Department will focus on the migration of the AIMS mainframe system to new web-based technology; the exploration of optimum blends of hosted and in-house hardware/software platforms designed to increase efficiency; the enhancement of disaster recovery capabilities and disaster recovery exercise cycles; and the introduction of videoconferencing capability for increased, cost-effective communication. Further, the Department is ensuring that consistent administrative processes are in place to appropriately review, approve, and prioritize all technology projects to maximize the benefit of automation and technology agency-wide, to include staff and financial resource management.



## **STRATEGIC ISSUE 5: Recidivism Reduction through Improved Offender Transition and Re-Entry Support**

Stabilization of the inmate population provides the Department with the opportunity to focus financial and human resources on methods to strengthen re-entry and transition efforts and to reduce recidivism within the state prison population. With future prison expansion focused on population management, rather than population growth, ADC can dedicate previously unavailable resources to ensure the optimal alignment of inmate programs to proactively support re-entry and transition, and to commit additional resources to assist offenders in successful completion of community supervision. In FY 2012, 18,374 offenders were released from prison, of which 12,594 were released to Community Supervision. During FY 2012, 2,932 offenders were returned to custody for committing a technical violation of their release, representing 16% of all prison admissions for that year. Efforts dedicated to successful completion of community supervision have the potential to reduce the number of revocations, reduce recidivism, and further reduce admissions to prison. In pursuit of this opportunity, the Department has already approved the creation of a Community Corrections Center (CCC) in Pima County and has explored interest from the private sector in establishing a CCC in Maricopa County, as 74% of offenders are released to these counties.

### **AGENCY GOALS**

**Goal 1:** To maintain effective custody and control over inmates in an environment that is safe, secure and humane.

**Goal 2:** To require inmate participation in self improvement programming opportunities and services including work, education, substance abuse treatment, sex offender treatment, and spiritual access designed to prepare inmates to be responsible citizens upon release.

**Goal 3:** To provide cost-effective constitutionally mandated correctional health care.

**Goal 4:** To maintain effective community supervision of offenders, facilitate their successful transition from prison to the community and return offenders to prison when necessary to protect the public.

**Goal 5:** To provide leadership, direction, resource management, and support for Department employees to enable the Department to serve and protect the people of the State of Arizona and to provide comprehensive victim services and victim-focused restorative justice programs that hold offenders accountable.

## **FIVE-YEAR STRATEGIC PLAN**

### **AGENCY VISION**

Contributing to safer communities through responsible, professional and effective corrections.

### **AGENCY MISSION**

To serve and protect the people of Arizona by securely incarcerating convicted felons, by providing structured programming designed to support inmate accountability and successful community reintegration, and by providing effective supervision for those offenders conditionally released from prison.

### **AGENCY DESCRIPTION**

The Arizona Department of Corrections (Department) was established pursuant to Laws 1968, Chapter 198 (A.R.S. §41-1601, et. seq.) by consolidating independently operated prisons into a single department and authorizing the Department to “provide the supervisory staff and administrative functions at the state level of all matters relating to the institutionalization, rehabilitation and community supervision functions of all adult offenders.”

The Department serves and protects the people of the state of Arizona by incarcerating inmates in correctional facilities and supervising conditionally released offenders in the community. During incarceration, welfare services and health care services including medical, nursing, dental, mental health, and pharmacy are provided to inmates. In addition, structured programming including work, education, career training, substance abuse treatment, sex offender treatment, spiritual services, and recreation are provided to inmates to promote employability, literacy, sobriety, and accountability to crime victims and to increase the likelihood that released inmates will become law-abiding citizens upon release.

In the community, the Department supervises offenders released from prison to serve the remainder of their sentence on community supervision. The Department ensures the accurate release, effective re-entry, transition, and supervision of released offenders utilizing a continuum of supervision services, strategies, evidence-based programs, and meaningful incentives and sanctions. The Department also facilitates the swift return to custody of those offenders who violate conditions of supervision and who represent a serious threat to the safety of the community.

### **AGENCY GUIDING PRINCIPLES**

- We have the legal and operational responsibility to be accountable and responsive to the judicial, legislative, and executive branches of government; to our employees; to inmates; and most importantly, to the citizens of Arizona.
- We value honesty and integrity in our relationships, and we place a high priority on quality of services and development of teamwork, trust, and open communication.

Arizona Department of Corrections  
Five-Year Strategic Plan FY 2014 to FY 2018  
December 18, 2012

- We make fiscally sound, measurable decisions, and respond effectively to the changing demands placed upon the agency by stakeholders, citizens, and their representatives.
- We maintain an environment that is humane and equitable to both employees and inmates, utilizing a grievance and disciplinary system that is consistently administered and fosters due process.
- We develop, encourage, recognize, and reward professional performance and growth by employees at all levels.

## **AGENCY STRATEGIC ISSUES**

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Historically, the inmate population increased from an average daily population of 29,936 in FY 2001 to 40,226 in FY 2011 (34.4% increase). After continuous inmate population growth from FY 2001 to FY 2010, with a monthly average growth rate of 117 inmates, inmate population growth dramatically declined in FY 2010 and FY 2011. ADC grew by only 65 inmates in FY 2010, and then actually declined by 296 inmates in FY 2011. This trend continued in FY 2012, with an average daily population of 40,011; at the end of FY 2012, the Department housed 39,877 convicted felons. Although inmate population growth slowed from FY 2010 through FY 2012, the Department must continue to use planning and process improvement strategies throughout the organization to maximize resources and to ensure the safety of the public, staff, and inmates. Despite the stabilization of the inmate population overall, specific segments of inmates are increasing (such as maximum security, sex offenders, and protective segregation), requiring the continued focus on accurate bed plan forecasting and optimal program availability and alignment. There remains a need for efficient control of population movement and management of permanent state beds and contracted private beds; maximization of inmate programming and complex scheduling; effective management of an aging inmate population; development of a viable workforce through targeted staff recruitment and retention; and appropriate allocation of resources to address unmet state prison physical plant needs. The Department is also responding to the reduction in the minimum custody inmate population by looking for opportunities to close minimum custody units that are no longer necessary and to shift those resources to other facilities.

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### **STRATEGIC ISSUE 5: Recidivism Reduction through Improved Offender Transition and Re-Entry Support**

Stabilization of the inmate population provides the Department with the opportunity to focus financial and human resources on methods to strengthen re-entry and transition efforts and to reduce recidivism within the state prison population. With future prison expansion focused on population management, rather than population growth, ADC can dedicate previously unavailable resources to ensure the optimal alignment of inmate programs to proactively support re-entry and transition, and to commit additional resources to assist offenders in successful completion of community supervision. In FY 2012, 18,374 offenders were released from prison, of which 12,594 were released to Community Supervision. During FY 2012, 2,932 offenders were returned to custody for committing a technical violation of their release, representing 16% of all prison admissions for that year. Efforts dedicated to successful completion of community supervision have the potential to reduce the number of revocations, reduce recidivism, and further reduce admissions to prison. In pursuit of this opportunity, the Department has already approved the creation of a Community Corrections Center (CCC) in Pima County and has explored interest from the private sector in establishing a CCC in Maricopa County, as 74% of offenders are released to these counties.

## AGENCY GOAL 1 – SAFETY AND SECURITY

**Goal 1:** To maintain effective custody and control over inmates in an environment that is safe, secure and humane.

**Objective 1:** To safeguard the public, staff and inmates through the efficient, safe and secure operations of prisons.

Performance Measures	FY 2012 Actual	FY 2013 Estimate	FY 2014-FY 2018 Estimate
Number of inmates who escaped from any location	2	0	0
Number of major rule violations per 1,000 inmates per average daily population	475.00	475.00	475.00
Number of inmate on staff assaults per 1,000 inmates per average daily population (95% of all assaults on staff are committed by higher custody inmates housed exclusively in state prisons. Since FY 2009, despite the state prison staff shortage of Correctional Officer II positions, ADC reduced the 2-year rate of increase from 33.5% to 8.6% by establishing the equivalent of 193 positions through overtime, and compensatory time; with the addition of 103 Correctional Officer IIs in FY 2013, this rate is projected to continue to decrease.)	9.42	9.33	9.04
Number of inmate on inmate assaults per 1,000 inmates per average daily population	20.04	19.69	19.45
Number of major inmate disturbances	0	0	0
Number of inmate homicides (Homicide numbers are subject to change, as final determinations are contingent upon official medical examiner reports, which may be issued in a subsequent fiscal year.)	3	0	0

<b>Performance Measures</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014-FY 2018 Estimate</b>
Number of inmate random positive urinalysis results per 1,000 inmates per average daily population	24.00	20.00	16.00
Number of formal inmate grievances (excluding health grievances) per 1,000 inmates per average daily population	79.00	69.00	59.00
Number of inmates lawsuits (non-habeas) per 1,000 inmates per average daily population (The count is based on "cases filed." Note that a case with multiple plaintiffs is counted as a single case filed.)	2.67	2.41	2.48

**Objective 2:** To promote Department safety and security by conducting administrative, civil, criminal, and gang related investigations; conducting daily, weekly, monthly, and annual inspections and performance audits; and ensuring agency compliance with fire and life safety codes.

<b>Performance Measures</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014-FY 2018 Estimate</b>
Percent of administrative investigations completed within established time frames	99.62%	100.00%	100.00%
Average annual Arizona State Operated Prison compliance audit percent (Contract Private Prisons reported separately below under Objective 3.)	95.60%	100.00%	100.00%
Average annual core competency test score for Arizona State Prison correctional series staff	85.95	87.00	88.00
Average annual core competency test score for Arizona State Prison non-correctional series staff	77.84	87.00	88.00

**Objective 3:** 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.

Performance Measures	FY 2012 Actual	FY 2013 Estimate	FY 2014-FY 2018 Estimate
Average annual Contracted Private Prison compliance audit percent score	97.10%	97.50%	98.00%

**Objective 4:** To provide leadership and direction in the management of inmate population growth and the allocation of physical and fiscal resources.

Performance Measures	FY 2012 Actual	FY 2013 Estimate	FY 2014-FY 2018 Estimate
Average daily inmate population	40,011	39,877	40,357
Average daily rated bed deficit	2,878	2,768	2,558

## AGENCY GOAL 2 - PROGRAMMING OPPORTUNITIES AND SERVICES

**Goal 2:** To require inmate participation in self improvement programming opportunities and services including work, education, substance abuse treatment, sex offender treatment, and spiritual access designed to prepare inmates to be responsible citizens upon release.

**Objective 1:** To maximize inmate participation in Department programming opportunities.

Performance Measures	FY 2012 Actual	FY 2013 Estimate	FY 2014-FY 2018 Estimate
Percent of all eligible inmates participating in appropriate work, education and treatment assignments	75.30%	75.00%	75.00%
Number of inmate hours worked through the Work Incentive Pay Plan	28.0M	28.0M	28.2M
Number of hours provided to communities by inmates per established IGAs or work contracts (excluding ACI)	2.4M	2.5M	2.7M

**Objective 2:** To expand work opportunities for inmates through Arizona Correctional Industries (ACI).

<b>Performance Measures</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014-FY 2018 Estimate</b>
Number of ACI inmate hours worked	3.80M	4.12M	4.60M
Dollar amount deducted from ACI inmate wages being deposited directly in the State General Fund	\$2.7M	\$2.8M	\$3.0M

**Objective 3:** To provide education programs and services, including functional literacy, special education, GED, and jobs training to all eligible and assessed inmates.

<b>Performance Measures</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014-FY 2018 Estimate</b>
Number of inmates achieving grade eight proficiency	4,283	4,350	4,500
Number of inmates achieving the General Equivalency Diploma (GED). (The estimated decrease is the result of two significant changes in the GED: 1) the cost of the test will be increasing from \$30 to \$150 - a 400% increase - and 2) administration will transition from paper to computer-based. As a result, it is anticipated that the number of inmates participating will be significantly reduced and a new measurement/examination will need to be explored.)	1,196	1,000	500
Number of Career and Technical Education certificates earned	2,438	2,600	2,600
Number of inmates receiving special education services	376	400	400
Percent of special education inmates receiving special education services	100%	100%	100%



**Objective 4:** To provide assessment and treatment services to eligible inmates.

Performance Measures	FY 2012 Actual	FY 2013 Estimate	FY 2014-FY 2018 Estimate
Number of eligible inmates completing substance abuse treatment	2,633	3,000	3,250
Number of eligible inmates completing sex offender treatment	159	175	225

**Objective 5:** To ensure spiritual services are available to inmates.

Performance Measures	FY 2012 Actual	FY 2013 Estimate	FY 2014-FY 2018 Estimate
Number of inmates involved in spiritual services (average per month)	13,148	13,750	14,250
Number of volunteer spiritual service hours provided	44,388	43,900	44,250

**Agency Goal 3 – HEALTH CARE**

**Goal 3:** To ensure the provision of medical, dental, mental health, nursing, and pharmaceutical services through a private vendor that is monitored by the Department for contract compliance and quality of care. The vendor provides inmate health services through licensed staff and contracts with community hospitals and specialists. (The Department privatized the provision of inmate health care services on July 1, 2012. FY 2013 and 2014 estimates provided by the health services vendor.)

**Objective 1:** To provide medically necessary medical care, dental care and mental health care to inmates.

Performance Measures	FY 2012 Actual	FY 2013 Estimate	FY 2014-FY 2018 Estimate
Percentage of inmates requiring ongoing mental health services admitted for psychiatric hospital care	1.96%	2.14%	2.04%

<b>Performance Measures</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014-FY 2018 Estimate</b>
Number of formal inmate health grievances per 1,000 inmates per average daily population (The Department anticipates an initial increase in health-related grievances early in the transition to privatized inmate health care. FY 2013 and 2014 estimates were provided by the health services vendor.)	31.34	45.60	25.06
Percentage of Department of Corrections State Prison Complexes accredited by the National Commission on Correctional Health Care (NCCCHC)	90.00%	100.00%	100.00%

**Objective 2:** To contain health care costs.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2013-FY 2017 Estimate</b>
Number of hospital admissions (revised from number inmates hospitalized)	3,372	2,478	2,352
Average length of stay for in-patient hospital care in days	4.47 days	4.52 days	4.61 days
Average cost per inmate for health care [Cost per inmate calculations are estimates for a one year administrative adjustment period that follows the end of the fiscal year.]	\$4,019	\$3,471	\$3,555

## Agency Goal 4 – COMMUNITY CORRECTONS

**Goal 4:** To maintain effective community supervision of offenders, facilitate their successful transition from prison to the community and return offenders to prison when necessary to protect the public.

**Objective 1:** To effectively release, supervise and monitor offenders under active Department community supervision.

<b>Performance Measures</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014-FY 2018 Estimate</b>
Average daily population of offenders on community supervision (new measure FY 2013)	5,843	5,850	6,043
Percentage of offenders on community supervision returned to prison for technical violations (The Department expects a decline in offenders returned to prison for technical violations in the future due to the opening of Community Correction Centers in Pima and Maricopa Counties.)	10.90%	10.90%	10.70%
Percentage of offenders on community supervision returned to prison for a new crime	1.20%	1.00%	1.00%
Percentage of offenders on community supervision returned to prison for absconding (The Department expects a decline in the number of absconders due to increased emphasis on goals and objectives in this area.)	6.00%	6.00%	5.50%

## Agency Goal 5 – ADMINISTRATION

**Goal 5:** To provide leadership, direction, resource management, and support for Department employees to enable the Department to serve and protect the people of the State of Arizona and to provide comprehensive victim services and victim-focused restorative justice programs that hold offenders accountable.

**Objective 1:** To recruit, retain, recognize, and develop staff.

Performance Measures	FY 2012 Actual	FY 2013 Estimate	FY 2014-FY 2018 Estimate
Number of formal employee grievances	173	146	146
Percentage of employee grievances upheld and/or modified in favor of the employee	40.00%	20.00%	20.00%
Annual Correctional Officer II vacancy rate percentage	1.80%	2.00%	2.00%
Annual Correctional Officer II turnover rate percentage	11.92%	11.00%	10.00%
Annual employee turnover rate percentage (excluding Correctional Officer II's) (FY 2012 Actual also excludes Health Services staff, who were subject to a Reduction in Force due to privatization of inmate health services.)	10.91%	10.00%	10.00%
Percentage of staff completing mandatory training	95.00%	96.00%	97.00%
Number of executives and managers participating in professional development courses	163	173	183

**Objective 2:** To maintain and/or enhance the information technology's applications, communications and network's current and future needs by providing the optimal support to computer users.

Performance Measures	FY 2012 Actual	FY 2013 Estimate	FY 2014-FY 2018 Estimate
Percentage of network uptime for the FY	99.99%	99.99%	99.99%

<b>Performance Measures</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014-FY 2018 Estimate</b>
Annual customer satisfaction survey rating of 3.5 or above for IT Applications/Data Management Unit on a scale of 1 to 5	4.93	4.90	4.90
Percentage of IT help desk calls resolved in a timely manner	96.00%	96.00%	96.00%

**Objective 3:** To provide a standard process for receiving, reviewing and responding to public concerns regarding inmate related issues.

<b>Performance Measures</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014-FY 2018 Estimate</b>
Number of service contacts provided to inmate families and friends	26,034	27,500	28,000

**Objective 4:** To effectively provide crime victims with information on inmate incarceration and release, effect change within the inmate population through various restorative justice methods of education and provide service to the community.

<b>Performance Measures</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014-FY 2018 Estimate</b>
Number of crime victim Notifications of Release sent	6,172	6,266	6,822
Number of service contacts provided to crime victims (all crimes)	12,782	12,973	13,523
Dollar amount of court-ordered restitution collected from inmates	\$1.6M	\$1.7M	\$1.7M
Average dollar amount of court-ordered restitution paid per inmate required to pay court-ordered restitution	\$202.39	\$205.00	\$205.00

## RESOURCE ASSUMPTIONS

**NOTE: THE FOLLOWING RESOURCE ASSUMPTIONS (CALCULATED IN CONSTANT DOLLARS) ARE ESTIMATES ONLY AND ARE SUBJECT TO CHANGE IN KEEPING WITH INFLATION AND ECONOMIC CONDITIONS<sup>1</sup>**

<b>Total Agency Resource Assumptions</b>						
(Calculated in nominal/ constant dollars)	FY 2013 Appropriation <sup>2</sup>	FY 2014 Budget Request	FY 2015 Estimate <sup>3</sup>	FY 2016 Estimate <sup>3</sup>	FY 2017 Estimate <sup>3</sup>	FY 2018 Estimate <sup>3</sup>
<b>Full Time Equivalent (FTE)</b>	10,118.2	9,923.0	9,923.0	9,923.0	9,923.0	9,923.0
<b>General Fund</b>	956,404,200	996,842,700	1,009,532,700	1,015,717,000	1,007,717,000	1,007,717,000
<b>Other Appropriated Fund</b>	44,907,700	44,907,700	44,907,700	44,907,700	44,907,700	44,907,700
<b>Non Appropriated Fund Expenditures</b>	59,034,000	58,955,100	58,955,100	58,955,100	58,955,100	58,955,100
<b>Federal Funds Expenditures</b>	10,566,900	10,269,800	10,269,800	10,269,800	10,269,800	10,269,800
<b>Agency Total Funds</b>	1,070,912,800	1,110,975,300	1,123,665,300	1,129,849,600	1,121,849,600	1,121,849,600

<sup>1</sup> FY 2014 - FY 2018 resource assumptions are estimates only and are subject to change based on economic conditions, legislative changes, inmate population, and other factors facing the Department.

<sup>2</sup> The FY 2013 Appropriation excludes the 5% retention pay and premium holiday adjustments. This is consistent with the required budget request methodology and Appropriations Report.

<sup>3</sup> FY 2015 - FY 2018 funding adjustments are due to the following:

- Activation/annualization of 1,000 new private medium custody male beds in FY 2015 and FY 2016.
- Activation/annualization of 500 new state maximum custody male beds in FY 2015.
- Elimination of the ASPC-Yuma Cheyenne Unit buildings repair/replacement cost in FY 2015.
- Elimination of the 3-year AIMS Replacement cost in FY 2017.

## Agency Summary

### DEPARTMENT OF CORRECTIONS

Charles L. Ryan, Director  
Phone: (602) 542-5225  
A.R.S. § 41-1602

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
➤ PRISON OPERATIONS AND SERVICES	1,015,599.4	1,019,638.0	1,041,541.4
➤ COMMUNITY CORRECTIONS	15,297.8	15,948.5	18,746.0
➤ ADMINISTRATION	36,170.2	35,326.3	50,687.9
<b>Agency Total:</b>	<b>1,067,067.3</b>	<b>1,070,912.8</b>	<b>1,110,975.3</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	953,781.5	956,404.2	996,842.7
Other Appropriated Funds	47,735.0	44,907.7	44,907.7
Other Non Appropriated Funds	65,550.8	69,600.9	69,224.9
<b>Total Funding</b>	<b>1,067,067.3</b>	<b>1,070,912.8</b>	<b>1,110,975.3</b>
<b>FTE Positions</b>	<b>10,217.7</b>	<b>10,320.7</b>	<b>10,125.5</b>

**Program Summary**

PRISON OPERATIONS AND SERVICES

Charles L. Ryan, Director  
 Phone: (602) 542-5225  
 A.R.S. § 41-1602

**This Program Contains the following Subprograms:**

- ▶ Security
- ▶ Inspections and Investigations
- ▶ Inmate Education, Treatment, and Work Programs
- ▶ Health Care
- ▶ Private Prisons
- ▶ Prison Management and Support

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	907,597.2	910,812.4	932,969.3
Other Appropriated Funds	45,246.9	42,276.5	42,276.5
Other Non Appropriated Funds	62,755.3	66,549.1	66,295.6
<b>Total Funding</b>	<b>1,015,599.4</b>	<b>1,019,638.0</b>	<b>1,041,541.4</b>
<b>FTE Positions</b>	<b>9,688.2</b>	<b>9,791.2</b>	<b>9,591.0</b>

**Subprogram Summary**

SECURITY

Robert Patton, Division Director  
 Phone: (602) 542-3894  
 A.R.S. § 41-1604

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	517,982.8	509,048.9	519,444.9
Other Appropriated Funds	4,408.0	455.9	455.9
Other Non Appropriated Funds	1,581.3	61.1	61.1
<b>Total Funding</b>	<b>523,972.1</b>	<b>509,565.9</b>	<b>519,961.9</b>
<b>FTE Positions</b>	<b>7,702.5</b>	<b>7,805.5</b>	<b>8,310.5</b>

◆ **Goal 1** To safeguard the public, staff and inmates through the efficient, safe and secure operations of prisons

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of escapes of inmates from any location	4	0	2	0	0
Number of major rule violations per 1,000 inmates per annual average daily population	453.89	419.35	475.00	475.00	475.00



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of inmate on staff assaults per 1,000 offenders per annual average daily population; includes all assaults, including those that did not result in physical injury.	9.50	10.10	9.42	9.33	9.04

**Explanation:** 95% of all assaults on staff are committed by higher custody inmates housed exclusively in state prisons. Since FY 2009, despite the state prison staff shortage Correctional Officer II positions, ADC reduced the 2-year rate of increase from 33.5% to 8.6%. With the addition of 103 Correctional Officer IIs in FY 2013, this rate is projected to continue to decrease.

Number of inmate on inmate assaults per 1,000 inmates per annual average daily population	20.31	20.75	20.04	19.69	19.45
Number of major inmate disturbances	3	0	0	0	0
Number of inmate homicides [Homicide numbers are subject to change, as final determinations are contingent upon official medical examiner reports, which may be issued in a subsequent fiscal year.]	4	0	3	0	0

◆ **Goal 2** To reduce drug use by incarcerated inmates

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of inmate random positive urinalysis results per 1,000 inmates per annual average daily population	31.72	29.32	24.00	20.00	16.00

◆ **Goal 3** To reduce inmate grievances and inmate litigation

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of formal inmate grievances (excluding health grievances) per 1,000 inmates per average daily population	82.91	76.61	79.00	69.00	59.0
Number of inmate lawsuits (non-habeas) per 1000 inmates per annual average daily population	2.68	3.56	2.67	2.41	2.48

**Explanation:** The count is based on "cases filed." Note that a case with multiple plaintiffs is counted as a single case filed.

<b>Subprogram Summary</b>	
INSPECTIONS AND INVESTIGATIONS	
Charles L. Ryan, Director Phone: (602) 542-5225 A.R.S. § 41-1604	

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	6,645.8	6,533.6	6,533.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>6,645.8</b>	<b>6,533.6</b>	<b>6,533.6</b>
<b>FTE Positions</b>	<b>107.0</b>	<b>107.0</b>	<b>107.0</b>

- ◆ **Goal 1** To conduct investigations, audits and core competency testing to ensure State prisons and Department staff are compliant with Department policies and procedures

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of administrative investigations completed within established time frames	100	100	99.62	100	100
Average annual Arizona State Operated Prison compliance audit percent score	93.85	94.00	95.6	100.00	100.00

**Explanation:** The FY 2012 Actual is for public prisons only. Compliance scores for privately-operated prisons was 97.1 percent.

Average annual core competency test score for correctional series staff	86.58	88.00	85.95	87.00	88.00
Average annual core competency test score for non-correctional series staff	83.00	85.00	77.84	87.00	88.00

### Subprogram Summary

#### INMATE EDUCATION, TREATMENT, AND WORK PROGRAMS

Gail Rittenhouse, Division Director  
 Phone: (602) 364-3234  
 A.R.S. § 41-1604, 1604.02, 41-1623

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
General Funds	18,658.2	18,542.7	18,953.5
Other Appropriated Funds	859.3	981.5	981.5
Other Non Appropriated Funds	41,021.0	48,068.1	47,814.6
<b>Total Funding</b>	<b>60,538.6</b>	<b>67,592.3</b>	<b>67,749.6</b>
<b>FTE Positions</b>	<b>464.5</b>	<b>464.5</b>	<b>472.5</b>

- ◆ **Goal 1** To maximize inmate participation in Department programming opportunities

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of all eligible inmates participating in appropriate work, education and treatment assignments	69.30	75.00	75.30	75.00	75.00
Number of inmate hours worked through the Work Incentive Pay Plan	26.1M	27.9M	28.0M	28.0M	28.2M
Number of hours provided to communities by inmates per established IGAs or work contracts (excluding ACI)	2.5M	2.6M	2.4M	2.5M	2.7M

- ◆ **Goal 2** To expand work opportunities for inmates through Arizona Correctional Industries (ACI)

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of ACI inmate hours worked	3.5M	4.1M	3.80M	4.12M	4.60M
Dollar amount deducted from ACI inmate wages being deposited directly in the State General Fund	3.0M	3.2M	2.7M	2.8M	3.0M

- ◆ **Goal 3** To provide education programs and services, including functional literacy, special education, GED, and jobs training to all eligible and assessed inmates

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
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<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of inmates achieving grade eight proficiency	5,400	5,400	4,283	4,350	4,500
Number of inmates achieving the General Equivalency Diploma (GED)	1,948	2,250	1,196	1,000	500
<b>Explanation:</b> The estimated decrease is the result of a 400% increase in the cost of the GED examination and the transition from paper to computer-based administration.					
Number of Career and Technical Education certificates earned	3,683	3,050	2,438	2,600	2,600
Number of inmates receiving special education services	372	380	376	400	400
Percent of special education inmates receiving special education services	100	100	100	100	100

◆ **Goal 4** To provide assessment and treatment services to eligible inmates

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of eligible inmates completing substance abuse treatment	2,302	2,400	2,633	3,000	3,000

**Explanation:** (Absent allocation of additional human resources for inmate substance abuse treatment, the program is expected to reach capacity in FY 2013.)

Number of eligible inmates completing sex offender treatment	179	150	159	175	175
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**Explanation:** (Absent allocation of additional human resources for sex offender treatment, the program is expected to reach capacity in FY 2013.)

◆ **Goal 5** To ensure spiritual services are available to inmates

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of inmates involved in spiritual services (average per month)	12,843	14,750	13,148	13,750	14,250
Number of volunteer spiritual service hours provided	42,096	43,000	44,388	43,900	44,250

#### Subprogram Summary

##### HEALTH CARE

Richard Pratt, Interim Assistant Director  
 Phone: (602) 364-2900  
 A.R.S. § 31-201.01, 41-1604

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
General Funds	118,585.5	125,487.6	125,487.6
Other Appropriated Funds	11,499.4	11,499.4	11,499.4
Other Non Appropriated Funds	12.4	5.3	5.3
<b>Total Funding</b>	<b>130,097.3</b>	<b>136,992.3</b>	<b>136,992.3</b>
<b>FTE Positions</b>	<b>774.2</b>	<b>774.2</b>	<b>34.0</b>

◆ **Goal 1** To ensure the provision of medically necessary medical, dental, and mental health care to inmates

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of inmates requiring ongoing mental health services admitted for psychiatric hospital care	2.78	2.78	1.96	2.14	2.04
<b>Explanation:</b> Inmate Health Services, including mental health, was privatized as of July 1, 2012. FY 2013 and 2014 estimates provided by the health services vendor.					
Number of formal inmate health grievances per 1000 inmates per annual average daily population	23.74	23.25	29.39	45.60	25.06
<b>Explanation:</b> The Department anticipates an initial increase in health-related grievances early in the transition to privatized inmate health care. FY 2013 and 2014 estimates were provided by the health services vendor.					
Percent of ADC state prison complexes accredited by the National Commission on Correctional Health care (NCCHC)	90.00	90.00	90.00	100.00	100.00
<b>Explanation:</b> Inmate Health Services was privatized as of July 1, 2012. FY 2013 and 2014 estimates provided by the health services vendor.					

◆ **Goal 2** To contain health care costs

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of hospital admissions (revised measure that replaces "Number of inmates hospitalized")	2,177	2,200	3,372	2,478	2,352
<b>Explanation:</b> (New measure added in FY2011; revised FY2012.) Inmate Health Services was privatized as of July 1, 2012. FY 2013 and 2014 estimates provided by the health services vendor.					
Average length of stay for in-patient hospital care in days	5.49	5.50	4.47	4.52	4.61
<b>Explanation:</b> Inmate Health Services was privatized as of July 1, 2012. FY 2013 and 2014 estimates provided by the health services vendor.					
Average cost per inmate for health care (Cost Per Inmate Calculations are estimates until the 1-Year Administrative Adjustment period is complete. This occurs one year after the end of the Fiscal Year.)	3,258.00	TBD	4,019	3,471	3,555
<b>Explanation:</b> Inmate Health Services was privatized as of July 1, 2012. FY 2013 and 2014 estimates provided by the health services vendor.					

<b>Subprogram Summary</b>
PRIVATE PRISONS
Robert Patton, Division Director Phone: (602) 542-3894 A.R.S. § 41-1604, 1604-02

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	97,419.2	100,721.0	107,340.8
Other Appropriated Funds	27,678.4	28,496.8	28,496.8
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>125,097.6</b>	<b>129,217.8</b>	<b>135,837.6</b>
<b>FTE Positions</b>	<b>23.0</b>	<b>23.0</b>	<b>29.0</b>

◆ **Goal 1** To systematically and effectively monitor private prison operations

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Average annual Contracted Private Prison compliance audit percent score (Annual audit Instrument was substantially revised in FY2011.)	93.40	94.00	97.1	97.5	98.0

### Subprogram Summary

#### PRISON MANAGEMENT AND SUPPORT

Robert Patton, Division Director  
 Phone: (602) 542-3894  
 A.R.S. § 41-1604

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	148,305.7	150,478.6	155,208.9
Other Appropriated Funds	801.8	842.9	842.9
Other Non Appropriated Funds	20,140.6	18,414.6	18,414.6
<b>Total Funding</b>	<b>169,248.1</b>	<b>169,736.1</b>	<b>174,466.4</b>
<b>FTE Positions</b>	<b>617.0</b>	<b>617.0</b>	<b>638.0</b>

◆ **Goal 1** To manage the inmate population and the allocation of physical and fiscal resources

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Average daily inmate population	40,226	40,154	40,011	39,877	40,357
Average daily bed deficit	2,621	3,751	2,878	2,768	2,558

**Program Summary**

COMMUNITY CORRECTIONS

Robert Patton, Division Director  
 Phone: (602) 542-3894  
 A.R.S. § 41-1604

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	11,059.1	10,887.0	13,807.0
Other Appropriated Funds	2,488.1	2,631.2	2,631.2
Other Non Appropriated Funds	1,750.6	2,430.3	2,307.8
<b>Total Funding</b>	<b>15,297.8</b>	<b>15,948.5</b>	<b>18,746.0</b>
<b>FTE Positions</b>	<b>160.0</b>	<b>160.0</b>	<b>160.0</b>

◆ **Goal 1** To effectively manage offenders' conditions of supervision

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of offenders on community supervision returned to prison for technical violations	12.00	11.00	10.9	10.9	10.7

**Explanation:** The Department expects a decline in offenders returned to prison for technical violations in the future due to the opening of Community Corrections Centers in Pima and Maricopa Counties.

◆ **Goal 2** To apply meaningful incentives and sanctions to encourage civil behavior

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of offenders on community supervision returned to prison for a new crime	1.00	1.00	1.20	1.00	1.00

◆ **Goal 3** To effectively monitor and track all offenders on community supervision

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of offenders on community supervision returned to prison for absconding	4.00	4.00	6.0	6.0	5.5

**Explanation:** The Department expects a decline in the number of absconders due to increased emphasis on goals and objectives in this area.

◆ **Goal 4** To effectively manage offenders on community supervision

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Average daily population of offenders on community supervision	0	0	5,843	5,850	6,043

**Explanation:** (New measure in FY 2013)

**Program Summary**

ADMINISTRATION

Charles L. Ryan, Director  
 Phone: (602) 545-5225  
 A.R.S. § 41-1602, 41-1604

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	35,125.3	34,704.8	50,066.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	1,044.9	621.5	621.5
<b>Total Funding</b>	<b>36,170.2</b>	<b>35,326.3</b>	<b>50,687.9</b>
<b>FTE Positions</b>	<b>369.5</b>	<b>369.5</b>	<b>374.5</b>

◆ **Goal 1** To recruit, retain, recognize, and develop staff

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of employee formal grievances	211	200	173	146	146
Percent of employee grievances upheld and/or modified in favor of the employee	40.00	35.00	40.00	20.00	20.00
Annual Correctional Officer II vacancy rate percentage	3.80	2.50	1.80	2.00	2.00
Annual Correctional Officer II turnover rate percentage	9.90	10.00	11.92	11.00	10.00
Annual employee turnover rate percentage (excluding Correctional Officer IIs)	10.70	10.00	10.91	10.00	10.00

**Explanation:** FY 2012 Actual excludes Health Services staff, who were subject to a Reduction in Force due to privatization of inmate health care.

Percent of staff completing mandatory training	93.48	94.00	95.00	96.00	97.00
Number of executives and managers participating in professional development courses	80	88	163	173	183

◆ **Goal 2** To maintain and/or enhance current and future information technology applications, communications and network needs by providing the optimal support to computer users

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of network uptime	97.30	98.00	99.99	99.99	99.99
Customer satisfaction survey rating of 3.5 or above for IT Applications/Data Management Unit on a scale of 1 to 5	4.86	4.90	4.93	4.90	4.90
Percent of IT help desk calls resolved in a timely manner	96.00	97.00	96.0	96.00	96.00

◆ **Goal 3** To provide a standard process for receiving, reviewing and responding to public concerns regarding inmate related issues

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of service contacts provided to inmate families and friends.	24,971	25,500	26,034	27,500	28,000

◆ **Goal 4** To effectively provide crime victims with information on inmate incarceration and release, affect change within the inmate population through various restorative justice methods of education, and provide service to the community

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of crime victim Notifications of Release sent	5,468	5,400	6,172	6,266	6,822
Number of service contacts provided to crime victims (all crimes)	8,545	9,050	12,782	12,973	13,523
Dollar amount of court-ordered restitution collected from inmates	1.6M	1.7M	1.6M	1.7M	1.7M
Average dollar amount of court-ordered restitution paid per inmate required to pay court-ordered restitution	201.19	205.00	202.39	205.00	205.00



# Board of Cosmetology

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

STRATEGIC ISSUES:

**Issue 1 Other Operating Expenses**

The Board of Cosmetology (BOC) must be able to effectively and continually improve and update services rendered to its licensees and consumers. The BOC provides, with great efficiency, services to approximately 115,976 licenses, a number which grow yearly at an estimated growth of approximately 3.9%. The BOC will seek to use "operating expenses" for education for consumers and licensees, through newsletters and website updates and design. With our continued improvement and education we have seen and will continue to see a reduction in serious injuries to clients.

Cost increase for; attorney services, computer system maintenance; supplies, facility maintenance and other operating expenses have affected training and system upgrades.

To allow the Board to fulfill its mandate within constraints of a limited appropriated budget, the Board is seeking to reduce expenditures without intervening with Operating demands.

**Issue 2 Improved Enforcement Efficiency**

The BOC is at a 34% reduction in staff positions. Filling the vacant Inspector and Investigators positions will be top priority when permitted. With the 9000 plus salons in the State of Arizona, the importance in conducting health and safety inspections at least once a year is a priority for the protection of consumers and the education of licensee's through inspections. We are presently working at a 66% employee rate and our goal is by 2014 to be at 70%, then by 2015 at 78% and reaching our goal of 100% by 2016 thru 2018.

**Issue 3 Employee Development**

The BOC recognizes the value of good employees and must nurture professional growth and development. The reduction of staff and the reduction of pay, have not lifted the employee's moral and have instead challenged their dedication. The BOC must communicate appreciation to the current employees by providing professional development and implementing the technology necessary for staff to meet the demands for even greater efficiency. As a result the agency will retain personnel longevity and satisfaction. The 2012 personnel reform has brought employees closer to the level of the private sector, but has not guaranteed a permanent wage increase. BOC would like to project wage increase(s), promotions, and incentives to employees who are recognized with qualified & efficient performance(s).

System maintenance, Support equipment, replacement, enhancement and upgrades:

#### **Issue 4 System maintenance Support, Equipment Replacement, Enhancement, & Upgrades.**

The BOC must continue to work on the efficiency and accuracy of licensee's electronic filing. Maintenance and enhancement of the current system will allow user friendly use and increase application on-line which must be continued and improved.

False identification is another Board concern for the health and welfare of the public. The BOC must be able to identify individuals performing services that fall under legislated areas of regulation at the time services are being performed, and not after the fact by looking at pictures in the licensee's file. The BOC scans pictures for new licenses through reciprocity and examination, and those pictures are printed on the licenses. By 2015- The BOC also needs to purchase or set in place a hand held device for inspectors and investigators that will enable them to have a pictures, and information at the job site. Along with the ability to print reports for salons & schools.

- 1) Rule changes by 2014
- 2) Printing pictures on all renewals
- 3) Continued upgrades and replacement computers, and laptops
- 4) Phone replacement by 2015
- 5) Main frame upgrades and maintenance
- 6) Network services reviewed and renewal of service contracts.

#### **Issue 5 Budget Contingency Plan**

Establish a fund or insurance plan available for legal issues at a state level for every year, such as, but not limited to, lawsuits, court representation, witnesses, specialists, etc; Re: Case (Fish Pedicure) Vong vs Aune.

Continued services provided by a lobbyist for continued consistency and efficiency, which prevent unforeseen hinderances in legislative and regulatory interpretations.

#### **Issue 6 Rule Promulgation**

Rule promulgation is needed to be able to require all license renewal applications to be accompanied with current photographs. With an updated system those pictures would be scanned and printed on licenses. At this time the BOC requires pictures to be submitted for all first licenses, but requires rule promulgation for renewals. By 2015 A goal of the BOC is to rewrite and update our infection control and safety standards R4-10-112 so they are easily read and understood by licensees and consumers, by 2016 rewrite & update standard rules such as R4-10-107 (License Renewals), and continually review and update all rules on an as need basis by 2018.

### **Issue 7 External Partners**

To maintain its relationship with current partners, the leadership involvement that has proven to assist the board to benchmark and remain current both as a regulatory agency and as a leader in the Cosmetology profession. These partners include The Internal Revenue Service (for small business participation and investigative tax fraud), National Interstate Council of State Boards of Cosmetology, National Accreditation Commission of Cosmetology Arts and Sciences, Council for Licensure, Enforcement and Regulation Federation Association of Regulatory Boards, AACCS American Association of Cosmetology Schools, The Salon Association, ACIA (Arizona Cosmetology Industry Association), and others. All require travel to meeting locations or electronic participation at the very least which must continue to be funded.

### **Issue 8 Public Communication**

Ongoing communication with the Arizona Legislature and State Administration about the importance of the funding necessary to continue responsible regulation, is required. Regulatory pamphlets, health and safety information classes, and issues of public interest require publication to be available to answer regulatory questions and issues. Reorganization and the continuing restructuring of the Agency website is also needed to improve communication with a highly colorful, artistic and ever- changing profession. By 2013 and 2014 printing brochures and/or newsletters for licensees, salons, and schools for distribution. By 2015 – 2018 by continuing services with our state printing vendors and distribution information will bring jobs and information to the public. Presently scoping the possibilities for social networking by 2014/2015.

### **Issue 9 A Quality continuity Plan**

To provide continued public protection even in times of disaster, a workable continuity plan for a small agency must be in place. This will require finding a place to set up an office away from the current Board office in case of a local tragedy, perhaps by coordinating with another state office for use of their offices. There must be a provision in law and rule to allow for licensees to provide services outside of a salon setting in a disaster. Already our servers are hosted at an outside location providing extra security and minimal down time to the public. Reviews and practical check points to assure maintainability, we performed yearly.

### **Issue 10 Increase of Fees**

A.R.S. 32.507 –A-22 Recommendation of credit card fees as convenient fees, Re: e-checks on line projected to be effective July of 2014, Merchant fees presently are at a \$20,330 for FY 2012. In order to derail these fees without raising the license fee, a convenient fee(s) are in place to be reviewed on a yearly basis. By 2014/2015 fees are calculated to be at a yearly \$42K which we estimate will double.

## Agency Summary

### BOARD OF COSMETOLOGY

Donna Aune, Executive Director  
 Phone: (480) 784-4539  
 A.R.S.35 113

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,656.5	1,750.3	1,750.3	1,750.3
Other Non Appropriated Funds	100.7	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,757.2</b>	<b>1,750.3</b>	<b>1,750.3</b>	<b>1,750.3</b>
<b>FTE Positions</b>	<b>24.5</b>	<b>24.5</b>	<b>24.5</b>	<b>24.5</b>

◆ **Goal 1** To establish standards for the professional practice of cosmetology.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average calendar days from receipt of completed application to issuance of license	17	17	17	17	17	17
Total individuals and establishments licensed	113,188	118,000	115,976	118,000	118,000	118,000

◆ **Goal 2** To ensure swift, fair, and effective enforcement of statutes and rules governing the profession.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total inspections conducted	6,148	6,300	6,140	6,300	6,300	6,300
Total complaints and application denials	2,354	2,400	2,817	2,400	2,800	2,800
Average calendar days to resolve a complaint	120	120	120	120	120	120

◆ **Goal 3** To educate the consumers and cosmetology professionals about their rights, resolutions, and responsibilities among the cosmetology community, the public and the Board by delivering courteous, efficient, service to the consumers, owners, and employees of state government.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Educational class opportunities offered to the public in class or over the internet	24	48	48	48	52	52

**Explanation:** The Board wants to mandate (Rule Law Change) that all reciprocity applications take classes

Percent of citizen satisfaction surveys reporting Board service as satisfied or higher	97	95	98.5	95	95	95
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◆ **Goal 4** To provide services through efficient government.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Constituents aided in transferring to another governmental jurisdiction or educational institution.	2,436	3,000	2450	3,000	3000	3000
Licenses accepted through reciprocity from another state or country.	2,717	3,000	2947	3,000	3000	3000
Percentage of applicants or license holders reporting very good or excellent.	95	95	98.5	95	95	95

# Criminal Justice Commission

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



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# Five Year Strategic Plan

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FY 2013 – FY 2017

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Arizona Criminal Justice  
Commission

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# ARIZONA CRIMINAL JUSTICE COMMISSION



Chairperson  
DANIEL SHARP  
Oro Valley Police Chief

Vice-Chairperson  
BILL MONTGOMERY  
Maricopa County Attorney

JOSEPH ARPAIO  
Maricopa County Sheriff

DAVID BYERS, Director  
Administrative Office of the Courts

TIMOTHY DORN  
Gilbert Police Chief

CLARENCE DUPNIK  
Pima County Sheriff

CHRIS GIBBS  
Safford Mayor

ROBERT C. HALLIDAY, Director  
Department of Public Safety

JESSE HERNANDEZ, Director  
Board of Executive Clemency

TOM HORNE  
Attorney General

KENNETH KIMMEL  
Sierra Vista Police Chief

BARBARA LAWALL  
Pima County Attorney

RALPH OGDEN  
Yuma County Sheriff

SHEILA POLK  
Yavapai County Attorney

CHARLES RYAN, Director  
Department of Corrections

DAVID SANDERS  
Pima County Chief Probation  
Officer

LINDA SCOTT  
Former Judge

MARK SPENCER  
Law Enforcement Leader

CARL TAYLOR  
Coconino County Supervisor

JOHN A. BLACKBURN, JR.  
Executive Director



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## **Executive Summary**

ACJC was created in 1982 to serve as a resource and service organization for Arizona's 480 criminal justice agencies on a myriad of issues ranging from drugs, gangs, victim compensation and assistance to criminal record improvement initiatives. The ACJC works on behalf of the criminal justice agencies in Arizona to facilitate information and data exchange among state-wide agencies by establishing and maintaining criminal justice information archives, monitoring new and continuing legislation relating to criminal justice issues and gathering information and researching existing criminal justice programs.

During the Fiscal Year 2012 the Arizona Criminal Justice Commission dealt with a 35 percent turnover rate while managing over 250 active grants and furthering the efforts of criminal justice records improvement and leading efforts in data driven policies. New five year strategic plans were set for the Systems Improvement; Drug, Gang and Violent Crime; and the Victim's Assistance program areas. In addition, the program rules were updated in both the Crime Victim Compensation and Crime Victim Assistance Programs. Over \$18,000,000 in federal and state grant funds were effectively administered throughout Arizona for criminal justice programs.

Through involvement with our stakeholders and observation of the opportunities and challenges facing Arizona over the next five years the Criminal Justice Commission has identified five strategic issues that align with the duties and authority of the Commission.

## **ACJC Mission**

### **OUR 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.

## ACJC Strategic Issues

### **Strategic Issue 1: Criminal Justice Records Integration**

To improve the criminal history records in the State of Arizona as well as manage criminal justice records integration and criminal justice system improvements throughout the state.

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 implement 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.

### **Strategic Issue 2: Data Driven Policy Decisions**

To improve the criminal justice system in Arizona through use of data obtained from the Statistical Analysis Center for data driven policy decisions.

The Statistical Analysis Center's purpose is to oversee the research, analysis, studies, reports, and publications regarding crime and criminal justice statistics for the benefit of criminal justice agencies across the State. The Statistical Analysis Center also conducts the biennial Arizona Youth Survey (AYS) which provides critical information to the Governor and Legislature regarding various risk and protective factors among students in Arizona. Other statistical and research projects are conducted by the Center with the approval of the Executive Director.

### **Strategic Issue 3: Coordination of Legislative Issues Among Criminal Justice Stakeholders**

To monitor the progress and implementation of new and continuing criminal justice legislation. Develop and deliver recommendations for constitutional, statutory, and administrative revisions that are necessary to develop and maintain a cohesive and effective criminal justice system.

The coordination of legislative issues is a constant endeavor involving all aspects of the criminal justice system. In accordance with ARS 41-2045.A, The Arizona criminal justice commission shall: 1. Monitor the progress and implementation of new and continuing criminal justice legislation. The ACJC continues to work closely with all stakeholders, as well as other entities affected by criminal justice legislation, on new and current legislation. Representatives from criminal justice stakeholder agencies meet throughout the legislative session to discuss legislative issues impacting the criminal justice system. The Commission also makes recommendations to the Governor and the Legislature as well as provides direction to staff on the position of the Commission regarding new legislation.

#### **Strategic Issue 4: Criminal Justice Coordination**

To continue to improve criminal justice coordination throughout Arizona and nationally.

The Arizona Criminal Justice Commission is a statutorily authorized entity mandated to carry out various coordinating, monitoring and reporting functions regarding the administration and management of criminal justice programs in Arizona. The ACJC serves as a resource and service organization for Arizona's criminal justice community on issues including; drugs, gangs and violent crime; victim assistance and compensation; and record improvement programs.

As the funding for these programs continues to decline it has become vital that all criminal justice stakeholders continue to work cooperatively to leverage the minimal resources available. The goal of the Arizona Criminal Justice Commission is to facilitate working collectively to fulfill the strategic plan of Arizona while still meeting the needs of those stakeholders with available funds.

#### **Strategic Issue 5: Staff Development and Retention**

Recruit, retain, and develop talented personnel to contribute to the mission of ACJC and Arizona's criminal justice stakeholders.

Although ACJC is authorized 32 positions, through automation and restructuring of the agency, we have worked very effectively for several years with 27 employees. The overwhelming majority of our 27 staff members are multiple degreed professionals who are also well established in their field of expertise. In the last 10 months ACJC has had a 35 percent turnover among our employees. The costs associated with training and acclimating new employees further burdens strained budgets and staffing challenges. The majority of employees leaving ACJC are being hired by other public entities and are being lured by higher salaries.

## ACJC Goals and Objectives

### **Goal 1: Criminal Justice Records Integration**

#### Objectives

To improve the criminal history records in the State of Arizona as well as manage criminal justice records integration and criminal justice system improvements throughout the state.

#### Strategies

- To establish and publish technology and data standards for criminal justice agencies of the state annually.
- To improve disposition reporting of each county to the central repository each year.
- To introduce legislation to change/improve criminal history reporting as needed.
- To administer, monitor, and evaluate grant projects on a continual basis.
- To develop a strategic plan and allocation plans for utilization of available funds on an annual basis to assist in the completion of the Arizona Records Improvement Plan.
- To apply for available funds from federal Justice Department agencies.

#### Performance Measures

- Stakeholder meetings coordinated to discuss record improvement challenges by records coordinator.
- Percentage of increase in disposition reporting utilizing the Records Quality Index (RQI) tool for record improvement projects funded through the program annually.
- Bills submitted to Legislature.
- Bills passed by the Legislature for the improvement of criminal history record reporting.
- Site visits to grantee agencies.
- Program progress and financial reports received on a quarterly basis from each grantee agency to monitor progress and ensure funding expenditure occurs prior to grant expiration date.
- Grants awarded to agencies for improvement of criminal justice/history records.
- Updates submitted to the integration strategic plan by the Policy Team annually.
- Development and publication of criminal justice records improvement plan for the criminal justice system in Arizona, including evolutionary revisions to the plan.
- Number of grant applications submitted to proper agencies.
- Number of grant awards provided to the Commission by the various granting agencies.
- Number of applicants requesting funding.

## **Goal 2: Data Driven Policy Decisions**

### Objectives

To improve the criminal justice system in Arizona through the efforts of a quality Statistical Analysis Center.

### Strategies

- To develop, implement and sustain processes that provide a relevant, reliable source of information on crime and the criminal justice system in Arizona.
- To implement and maintain an effective and relevant criminal justice research program.
- Develop, implement and operate data and information producing programs and processes on crime activity and the criminal justice system in Arizona.

### Performance Measures

- Number of studies/research projects proposed by internal and external customers.
- Number of studies/reports completed and published.
- Number of research products mailed via US mail to external customers (paper reduction).
- Number of public and media data requests processed.
- Number of legislative and policy-maker data requests processed.
- Number of public presentations by SAC staff.

## **Goal 3: Coordination of Legislative Issues Among Criminal Justice Stakeholders**

### Objectives

Monitor the progress and implementation of new and continuing criminal justice legislation. Develop and deliver recommendations for constitutional, statutory, and administrative revisions that are necessary to develop and maintain a cohesive and effective criminal justice system.

### Strategies

- 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.
- 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.
- 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

- Sustain an effective number of agency legislative events.
- Dissemination of criminal justice related legislative information and materials through meetings, publications, reports, and direct personal contact.
- Organize, support and conduct meetings under the Commission responsibility to produce effective results.
- 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.

- Presentation of testimony and formal advocacy representation at both federal and state legislative bodies regarding criminal justice legislation.
- Sustain an effective number of legislative liaison meetings.

#### **Goal 4: Criminal Justice Coordination**

##### Objectives

To continue to improve criminal justice coordination throughout Arizona and the nation.

##### Strategies

- Build consensus among criminal justice stakeholders.
- Serve as the forum for identifying issues and their solutions.
- Facilitating cooperation that will improve public safety.
- Draw upon state, local and federal agencies and individuals to develop recommendations and strategies.
- Serve as a forum for identifying
- To effectively manage the allocation and administration of state and federal funds to provide a high probability of improving the criminal justice system in Arizona.

##### Performance Measures

- Percent of programs reviewed reflecting compliance with certified assurances and fiscal management practices.
- Conduct training of county and local agency participants in the administration of the programs.
- Administer, monitor, and evaluate program projects and required reports regarding the program.
- Applicants requesting funds.
- Grants awarded in a timely manner.
- Program audits reflecting no deficiencies.
- Program single audits reflecting compliance with Administrative Rules.
- Develop strategies/plans and implement for federal and state resources allocated to commission authority in Arizona.
- Solicit grant applications and funding requests, evaluate requests, and allocate available resources to appropriate agencies and activities statewide.
- Facilitate focused discussions on criminal justice topics with supporting research.
- Identify, track and highlight trending national criminal justice topics.
- Recommend and periodically review policies for the coordinated implementation of policies.
- Identify needs and recommend agency allocations and resources to meet these needs when appropriate.
- Identify legal and administrative barriers to effective service delivery.
- Review agency funding criteria and make recommendations when appropriate.
- Review plans and make recommendations for plan format and content.
- Review annual performance data and make recommendations for improved service delivery, operating procedures or funding when appropriate.

## **Goal 5: Staff Development and Retention**

### Objectives

Recruit, retain, and develop talented personnel to contribute to the mission of ACJC and Arizona's criminal justice stakeholders.

### Strategies

- Work with ADOA on new retention strategies.
- Expanded distribution of employment opportunities.
- Membership in professional associations related to key position expertise.
- Identify entities/industries/organizations with corresponding expertise.
- Survey topics among employees to identify methods of increasing employee satisfaction.
- Seek increased state appropriation to use towards salary increases and training opportunities.

### Performance Measures

- Maintaining averages of academic achievement among employees.
- Recruit employees with expertise beyond the minimum requirements.
- Raise average tenure of employees.
- Reduce employee turnover rates.
- Reduce training costs associated with training and acclimating new employees.



## Resource Assumptions

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Actual	Budget Approved	Estimate	Estimate	Estimate	Estimate
<b>Full Time Equivalent (FTE) Positions</b>	<b>25</b>	<b>31</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>32</b>
<b>General Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,000,000</b>	<b>\$8,000,000</b>	<b>\$8,000,000</b>	<b>\$8,000,000</b>
<b>Other Appropriated Funds</b>	<b>\$4,909,200</b>	<b>\$5,630,700</b>	<b>\$8,253,500</b>	<b>\$7,378,500</b>	<b>\$7,378,500</b>	<b>\$7,378,500</b>
<b>Non-Appropriated Funds</b>	<b>\$3,873,600</b>	<b>\$5,970,100</b>	<b>\$5,970,100</b>	<b>\$5,970,100</b>	<b>\$5,970,100</b>	<b>\$5,970,100</b>
<b>Federal Funds</b>	<b>\$14,747,600</b>	<b>\$14,074,800</b>	<b>\$8,280,400</b>	<b>\$8,280,400</b>	<b>\$8,280,400</b>	<b>\$8,280,400</b>
<b>Total Agency Funds</b>	<b>\$23,530,400</b>	<b>\$25,675,600</b>	<b>\$30,504,000</b>	<b>\$29,629,000</b>	<b>\$29,629,000</b>	<b>\$29,629,000</b>

## Agency Summary

### CRIMINAL JUSTICE COMMISSION

John A. Blackburn, Jr., Executive Director  
 Phone: (602) 364-1146  
 A.R.S. § 41-2401

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ AGENCY MANAGEMENT	1,044.4	1,340.5	1,082.0	1,082.0
➤ CRIME VICTIMS	4,798.2	5,500.3	5,830.3	5,830.3
➤ STATISTICAL ANALYSIS CENTER	639.8	658.2	1,024.6	1,024.6
➤ CRIME CONTROL	12,802.8	12,576.4	11,973.2	11,098.2
➤ CRIMINAL JUSTICE SYSTEM IMPROVEMENT	4,556.4	5,600.2	10,593.9	10,593.9
<b>Agency Total:</b>	<b>23,841.6</b>	<b>25,675.6</b>	<b>30,504.0</b>	<b>29,629.0</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	8,000.0	8,000.0
Other Appropriated Funds	4,909.1	5,630.7	8,253.5	7,378.5
Other Non Appropriated Funds	18,932.5	20,044.9	14,250.5	14,250.5
<b>Total Funding</b>	<b>23,841.6</b>	<b>25,675.6</b>	<b>30,504.0</b>	<b>29,629.0</b>
<b>FTE Positions</b>	<b>29.0</b>	<b>29.7</b>	<b>34.7</b>	<b>34.7</b>

**Program Summary**

AGENCY MANAGEMENT

John A. Blackburn, Jr., Executive Director  
 Phone: (602) 364-1146  
 A.R.S. § 41-2405

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	284.7	337.8	337.8	337.8
Other Non Appropriated Funds	759.7	1,002.7	744.2	744.2
<b>Total Funding</b>	<b>1,044.4</b>	<b>1,340.5</b>	<b>1,082.0</b>	<b>1,082.0</b>
<b>FTE Positions</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>

- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of agency legislative events	188	200	175	200	200	200
Number of criminal justice legislative liaison meetings coordinated	27	30	26	30	30	30

- ◆ **Goal 2** To develop, establish, and maintain reliable accurate fiscal systems for all Commission activities including grant programs and fund distribution functions.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Generate and execute contracts, working agreements and other routine fund distribution and expenditure functions	170	175	170	175	175	175

- ◆ **Goal 3** To provide a continuous, organized forum for the discussion of the criminal justice system, the identification of changes needed, the development of change mechanisms including legislative proposals, and the coordination of information regarding these activities.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Organize, support and conduct meetings under the Commission responsibility to produce effective results	45	35	38	35	35	35
Conduct liaison with congressional and legislative officials and other officials at all levels of federal, state, county, and municipal governments that produce coordination, cooperation and effective outcomes	118	125	98	125	125	125

- ◆ **Goal 4** To develop, implement and sustain processes that provide a relevant, reliable source of information on crime and the criminal justice system in Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Develop, continuously refine and sustain the implementation of a criminal justice records improvement program for the criminal justice system in AZ	85	100	85	100	100	100

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Develop, implement and operate data and information producing programs and processes on crime activity and the criminal justice system in AZ	85	100	85	100	100	100
Accurately and successfully publish, distribute reports containing reliable info and data on crime activity and the criminal justice system in AZ	95	100	90	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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Develop strategies and implement plans that effectively utilize funds and resources available to the Commission	100	100	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	100	100	100
Organize, support, and conduct all meetings under the Commission responsibility to produce effective results	100	100	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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent completion of statutory mandates regarding Commission duties, responsibilities and mandates	100	100	100	100	100	100
Collect and analyze data, conduct research and evaluation, and publish reports regarding the criminal justice system	100	100	100	100	100	100

◆ **Goal 7** To provide a continuum of effective organization and administration for Commission responsibilities, activities and programs.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of required reports published	42	13	8	40	20	40

**Program Summary**

**CRIME VICTIMS**

Larry Grubbs, Crime Victims Program Manager  
 Phone: (602) 364-1146  
 A.R.S. §§ 41-2407 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	3,376.5	4,048.6	4,378.6	4,378.6
Other Non Appropriated Funds	1,421.7	1,451.7	1,451.7	1,451.7
<b>Total Funding</b>	<b>4,798.2</b>	<b>5,500.3</b>	<b>5,830.3</b>	<b>5,830.3</b>
<b>FTE Positions</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

◆ **Goal 1** To increase the number of compensation claims filed and awarded to eligible crime victims.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Obtain increased spending authority for the crime victim compensation program	2.49M	2.49M	2.49M	2.49M	2.7M	2.7M
Increase in compensation awards reported by Operational units	2.49M	2.49M	2.49M	2.49M	2.7M	2.7M
Increase in eligible benefits available to crime victims	2.49M	2.49M	2.49M	2.49M	2.7M	2.7M

◆ **Goal 2** To effectively manage the allocation and administration of Crime Victim Compensation Funds.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Continuity of administration in the 15 counties	15	15	15	15	15	15
Percent of counties in which case reviews completed	60	60	40	60	60	60
Percent of cases reviewed showing no deficiencies	85	90	88	90	90	90
Percent of programs reviewed reflecting compliance with certified assurances and fiscal management practices	60	60	60	60	60	60

◆ **Goal 3** To effectively manage the allocation and administration of state crime victim assistance funds to provide a high probability of relieving the impact of crime on crime victims.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Applicants requesting funds	56	55	56	55	55	55
Grants awarded in a timely manner to victim services providers	44	44	44	44	44	44
Number of site visits completed	19	22	14	22	20	20
Program audits reflecting no deficiencies	15	20	14	20	18	18
Program single audits reflecting compliance with Administrative Rules	23	25	25	25	25	25

**Program Summary**

STATISTICAL ANALYSIS CENTER

Phillip Stevenson, Statistical Analysis Center Director  
 Phone: (602) 364-1146  
 A.R.S. § 41-2405

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	219.5	235.5	601.9	601.9
Other Non Appropriated Funds	420.3	422.7	422.7	422.7
<b>Total Funding</b>	<b>639.8</b>	<b>658.2</b>	<b>1,024.6</b>	<b>1,024.6</b>
<b>FTE Positions</b>	<b>5.0</b>	<b>6.0</b>	<b>11.0</b>	<b>11.0</b>

◆ **Goal 1** To implement and maintain an effective and relevant criminal justice research program.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of studies/research projects proposed by internal and external customers	30	25	15	25	25	25
Number of studies/reports completed and published	52	20	8	40	20	40
Number of research products mailed via US mail to external customers (paper reduction).	2	5	0	5	3	3
Number of public and media data requests processed	46	30	47	45	50	55
Number of legislative and policy-maker data requests processed	31	40	13	40	40	40

**Program Summary**

**CRIME CONTROL**

Tony Vidale, Crime Control Program Manager  
 Phone: (602) 364-1146  
 A.R.S. § 41-2402

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,001.0	1,001.1	2,927.5	2,052.5
Other Non Appropriated Funds	11,801.8	11,575.3	9,045.7	9,045.7
<b>Total Funding</b>	<b>12,802.8</b>	<b>12,576.4</b>	<b>11,973.2</b>	<b>11,098.2</b>
<b>FTE Positions</b>	<b>2.5</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

- ◆ **Goal 1** To distribute appropriated funds and court fines to County Attorneys as required by A.R.S. § 41-2409 for the purpose of improving case processing and by January 8th each year report to those stated in the legislation on the expenditure of the monies in the state aid to county attorneys fund for the prior fiscal year and on the progress made in achieving the goal of improved criminal case processing.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Completion of annual report by due date.	1	1	1	1	1	1

- ◆ **Goal 2** To distribute appropriated funds and court fines to County indigent defense agencies and contract indigent defense as required by A.R.S. § 41-2409 for the purpose of improving case processing and by January 8th each year report to those stated in the legislation on the expenditure of the monies in the state aid to indigent defense fund for the prior fiscal year and on the progress made in achieving the goal of improved criminal case processing.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Completion of annual report by due date.	1	1	1	1	1	1

- ◆ **Goal 3** To effectively manage the acquisition, allocation and administration of local, state and federal grant funds to provide a high potential for significant productivity and impact on drug, violent and street gang crime in Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Grants identified, applications submitted and approved by funding authorities	2	2	2	2	3	3
Number of grant applications received from criminal justice agencies requesting grant funds for criminal justice system activities authorized by the Commission.	37	35	41	40	45	45
Number of grant applications evaluated and awarded to criminal justice agencies for criminal justice system activities authorized by the Commission.	35	35	40	40	39	39
Number of arrests made by grant-funded task forces	6858	6500	5607	5400	5200	5200
Convictions reported by grant-funded prosecution projects	25242	25,000	20659	20500	20100	20100
Percent of grant agreements executed in a timely manner by Commission staff	100	100	100	100	100	100
Percent of requests for training/technical assistance received and filled	100	100	100	100	100	100

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
On-site monitoring visits conducted by Commission staff	6	10	3	5	12	15
Federal grantor agency conferences, workshops and planning sessions attended by Commission staff	1	1	1	1	2	2
Complaints received by Commissioners regarding actions by the Commission staff in the administration of sub-grants	0	0	0	0	0	0
Percent of complete, accurate reports submitted on or before due dates	100	100	100	100	100	100



**Program Summary**

**CRIMINAL JUSTICE SYSTEM IMPROVEMENT**

Pat Nelson, CJ Systems Improvement Program Manager  
 Phone: (602) 364-1146  
 A.R.S. § 41-2405

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	8,000.0	8,000.0
Other Appropriated Funds	27.4	7.7	7.7	7.7
Other Non Appropriated Funds	4,529.0	5,592.5	2,586.2	2,586.2
<b>Total Funding</b>	<b>4,556.4</b>	<b>5,600.2</b>	<b>10,593.9</b>	<b>10,593.9</b>
<b>FTE Positions</b>	<b>4.5</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>

◆ **Goal 1** To apply for available federal funds in such program areas as DNA and Laboratory Improvements.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of grant applications submitted to proper agencies.	5	4	6	4	3	3

◆ **Goal 2** To establish and publish technology and data standards for criminal justice agencies of the state annually.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Meetings conducted annually	0	2	3	6	6	6

◆ **Goal 3** To improve disposition reporting of each county to the central repository each year.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Meetings coordinated to discuss record improvement challenges by records coordinator annually.	26	12	13	12	12	12
Percentage of increase in disposition reporting utilizing the Records Quality Index (RQI) tool for record improvement projects funded through the program annually.	2	2	1	3	5	7

◆ **Goal 4** To introduce legislation to change/improve criminal history reporting as needed.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Bills submitted to Legislature	0	1	0	1	1	0
Bills passed by the Legislature for the improvement of criminal history record reporting	0	1	0	1	1	0

◆ **Goal 5** To administer, monitor, and evaluate grant projects on a continual basis.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Site visits to grantee agencies	1	4	8	4	4	4
Assistance provided to grantee agencies	28	10	40	20	20	20

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Program progress and financial reports received on a quarterly basis from each grantee agency to monitor progress and ensure funding expenditure occurs prior to grant expiration date	296	280	324	162	162	162

- ◆ **Goal 6** To develop a strategic plan and allocation plans for utilization of available funds on an annual basis to assist in the completion of the Arizona Records Improvement Plan.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Grants awarded to agencies for improvement of criminal justice/history records	5	12	16	12	12	12

- ◆ **Goal 7** To apply for available funds from federal Justice Department agencies.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of grant applications submitted to proper agencies	5	4	6	4	3	3
Number of grant awards provided to the Commission by the various granting agencies	4	4	4	4	3	3
Number of applicants requesting funding	21	12	33	12	12	12

# Arizona State Schools for the Deaf and the Blind

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# ASDB

Arizona State Schools for the Deaf and the Blind



## Five Year Strategic Plan

FY 2014 - FY 2018

Robert E. Hill, Ed. S.  
Superintendent

## VISION STATEMENT

ASDB, Preparing for tomorrow....today!

## MISSION STATEMENT

We are committed to excellence in education of all children and youth with hearing or vision loss throughout Arizona State Schools for the Deaf and Blind

We are committed to partnerships with families, school districts, communities, and other that will enable children and youth with hearing or vision loss to succeed now and in the future.

We are committed to the respect, support, and 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 children and youth, with a vision or hearing loss, from birth to 22 years of age. School- aged children are served in one of the site-based schools located in Tucson and Phoenix or in their home school district through one of the five Regional Cooperative programs. In addition to educational and evaluation services, the ASDB Tucson campus provides a residential program. Preschool children are served in both Tucson and Phoenix. Infants and toddlers with vision or hearing loss receive services in their homes throughout the State. ASDB also provides comprehensive evaluation services for some children referred with multiple disabilities.

## AGENCY STRATEGIC ISSUES

### **Strategic Issue 1**

#### **Fostering the development of parent and community partnerships**

The Principals have implemented and coordinated a number of activities to involve more parents with the schools and their child's educational program.

Parent folders are used to inform parents of learning occurring in the classroom, activities at the school, and events in the community. Parent groups are also active on all three campuses. Parent groups provide support and information to other parents regarding the education of students who are blind or visually impaired and students who are Deaf or Hard of Hearing.

Staff is involved in presenting information to community organizations and parents regarding advocacy and general information for accessing educational programs. Agency staff provide speakers, location, and child care for meetings to occur, and to encourage a larger number of parents. ASDB is developing cooperative arrangements with other community agencies to support provision of service for our students. ASDB participates in local organizational meetings with other professionals in the education field, in the rehabilitation area, and community businesses to foster cooperation and increased success of our students and improve community relations. ASDB works with employers to support students in occupations that will be sustainable after graduation. ASDB works, in conjunction with other agencies serving Hard of Hearing, Deaf, or

visually impaired individuals, to increase choices and opportunities for the students.

## **Strategic Issue 2**

### **Developing and maintaining a proactive work environment within the Agency**

The ASDB Human Resources Department is implementing a number of changes to be more responsive to employee needs and requests. ASDB is part of the HRIS system which will better track work schedules, leave, etc. Specialists in HR have developed a schedule for visiting ASDB sites outside of Tucson. They are conducting employee meetings to answer questions about benefits, policies, etc.

The Professional Development Leadership Team conducted a survey of the schools to assess the environment and to provide information to be used as part of a strategic plan to improve the organizational climate in the most effective and efficient manner possible.

## **Strategic Issue 3**

### **Incorporating technology into instructional and operational activities of the Agency**

Educational technology has become an agency wide effort. Representative groups have worked together to develop an Educational Technology Plan, which was submitted and approved by the Arizona Department of Education. Staff benefit state-wide by actively participating in a variety of technology workshops.

The Agency database is in the process of being centralized for use from anywhere in the state to provide the most up-to-date information on students. The database provides demographic information that can be used for accountability reports at the local and state level. The database will be expanded to include additional information on student progress. The infrastructure of the technology system has been enhanced at ASDB to make communication more effective and efficient. New methods of communication are being provided for students who are Hard of Hearing or Deaf through the implementation of an agency-wide video relay system.

In order to facilitate communication, Internet and e-mail access is available to all agency personnel as well as the public. All programs in the Agency are now connected and able to access the Internet for resources. An updated E-mail system has increased the ability of staff to communicate across the state and results in faster services to students.

The current infrastructure is under review to improve functionality, security, and to reduce downtime. Specifics could include the tying together of (1) assistive technology, (2) dormitory wiring/fiber/wireless, (3) Tucson Campus building wiring/fiber/wireless, and (4) upgrade and combination of overall technological capabilities and resources.

## **Strategic Issue 4**

### **Improving recruitment and retention of employee procedures**

Hiring qualified teachers is critical to the success of ASDB. The competition for teachers and other specialized staff has become very intense with many districts offering bonuses as well as other incentives.

The Agency works with several university programs around the country to recruit talented future professionals to ASDB. Presentations are made by ASDB staff at universities and colleges that have teacher preparation programs to communicate information regarding ASDB. Student teachers and graduate interns are encouraged to come to ASDB to complete their university program.

An extensive staff development program has been implemented to educate staff in strategies and techniques to improve student classroom performance. Regularly scheduled staff meetings, as well as weekly blocks of time, are reserved for more in-depth staff development opportunities.

Compensation issues are currently not being addressed adequately. The Agency continues to compare salaries of staff with other equal positions at other state agencies and at school districts to keep information current.

### **Strategic Issue 5**

#### **Enhancing curriculum and instructional accountability**

Instructional accountability continues to be a critical focus area of the Agency. A large data base has been collected to compare results of standardized testing with fixed factors. Training is provided for teachers to enhance their use of results from standardized assessment in planning the educational program for their students.

### **Strategic Issue 6**

#### **Providing students and staff with appropriate facilities**

The Arizona State Schools for the Deaf and the Blind maintains a 68 acre facility in Tucson and a 38 acre facility in Phoenix. Both sites combined represent a total of 36 buildings. Due to aging facilities and inappropriate designs many buildings no longer meet the need of the Agency. Specifically, the following are the most critical areas of concern.

- The dormitories on the Tucson Campus (50-60 years old) do not meet Fire Safety Code, and represent dilapidated and low efficient building that have seen continual and extensive use by students Elementary through post High School for the past 50-60 years.
- One section of the Tucson High School deemed unsafe for occupancy by an independent architectural firm, The FM Group.
- Need to replace the 45 year old Elementary school in Phoenix due to increased student enrollment, now at an all-time high.
- Due to increased enrollment at the Phoenix Campus, a new gymnasium is needed. The current building is 29 years old. The Gymnasium is a concrete and corrugated tin structure without insulation. This no longer has the capacity to meet the growing needs of our students, nor is it an efficient structure in terms of sustainability and energy conservation. It is our goal to build a structure that will fully meet the needs of our agency in a cost effective manner with a short term and long term benefit to our heating and cooling cost.

## GOALS/PERFORMANCE MEASURES/STRATEGIES

### ADMINISTRATION

**Goal 1:** To prudently and fairly manage personnel resources of the Agency.

*Performance Measures:*

- Percent of permanent certified positions filled PDS
- Percent of permanent classified positions filled PDS
- Percent of permanent certified staff turnover PDS
- Percent of permanent classified staff turnover PDS

*Strategy/Strategies:*

- Conduct monthly leadership team meetings with identified Director Level staff to review/discuss keys issues
- Communication System to ensure personnel or informed in an effective and efficient manner agency events, procedures, and policies

**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:*

- Percent of parents satisfied with the quality of the medical services provided at ASDB
- Percent of parents satisfied with the quality of transportation services provided at ASDB
- Percent of parents satisfied with the quality of food services provided at ASDB

*Strategy/Strategies:*

- Require weekly updates from identified agency level staff
- Work with ADOA to evaluate the current status of facilities and modify capital project needs as best meets the needs of the agency in a cost effective and efficient manner
- Purchase software used to design and maintain bus routes in the most cost effective manner possible
- Purchase necessary equipment to help maintain buses in the best operating manner possible
- Training of key staff
- Replace vehicles that exceed the recommended mileage
- Hire a loss prevention/asset manager coordinator

**Goal 3:** To maintain a positive relationship with parents.

*Performance Measures:*

- Percent of parents satisfied with leadership at ASDB
- Percent of parents rating overall quality of services as good or excellent based on annual survey PDS

*Strategy/Strategies:*

- Schedule monthly PTO meetings



- Provide parent education workshop opportunities
- Actively recruit parents/community members for ASDB Volunteer Program
- Parent Newsletters
- Town Hall Meetings

**Goal 4:** To exceed all expected performance standards as identified by the AIMS, and AIMS-A for every student served by an ASDB Program.

*Performance Measures:*

- Percent of parents satisfied with instructional programs and services as measured by a survey PDS
- Percent of students graduating from PDS with a high school diploma
- Percent of students graduating from ASB and ASD with a high school diploma

*Strategy/Strategies:*

- Conduct weekly staff development training that is focused on increased student academic achievement
- Provide Mentor/Protégé Program for new teaching staff members
- Scientific Results driven curriculum and instructional strategies
- Post graduate surveys of students and families

**Goal 5:** To prudently and fairly manage personnel resources of the Agency.

*Performance Measures:*

- Percent of permanently certified positions filled (TC)
- Percent of permanent classified positions filled (TC)
- Percent of permanent certified staff turnover (TC)
- Percent of permanent classified staff turnover (TC)

*Strategy/Strategies:*

- Enhance Human Resource database
- Expanded recruitment efforts
- Professional Development

**Goal 6:** To maintain a positive relationship with parents.

*Performance Measures:*

- Percent of parents rating overall quality of services as good or excellent based on annual survey (TC)

*Strategy/Strategies:*

- Surveys to parents
- Periodic meetings with parents
- IEP/ISFP trainings and workshops
- Clear and concise communication regarding IEPs
- Parent Advocacy workshops

**Goal 7:** To provide quality services to the schools within the Regional Cooperatives.

*Performance Measures:*

- Percent of parents with students served through the cooperatives satisfied with the services provided by ASDB

*Strategy/Strategies:*

- Ongoing and meaningful staff development
- Regular meetings
- Comprehensive communication to districts and to families
- Satisfaction surveys

**TUCSON CAMPUS**

**Goal 1:** To increase efficiency and effectiveness in the instructional program for students served by ASDB Programs.

*Performance Measures:*

- Percent of Individual Educational Plans (IEP) with participation of representatives from school districts in Tucson
- Percent of IEPs developed with participation of parent
- Percent of parents satisfied with their involvement in the program in Tucson
- Percent of parents satisfied with the quality of educational programs provided to their child

*Strategy/Strategies:*

- Surveys to parents
- Periodic meetings with parents
- IEP/ISFP trainings and workshops
- Clear and concise communication regarding IEPs

**Goal 2:** To exceed all expected performance standards as identified by the AIMS, and AIMS-A for every student served by an ASDB Program.

*Performance Measures:*

- Percent of parents satisfied with the quality of the program in Tucson

*Strategy/Strategies:*

- Scientifically based curriculum
- Development of multiple data points
- Extended Day tutoring opportunities
- Increased instructional days

**Goal 3:** To effectively manage transportation, food service and medical services to ensure that these programs are supportive of the educational programs.

*Performance Measures:*

- Percent of parents satisfied with the quality of transportation services provided at ASD/ASB in Tucson
- Percent of parents satisfied with the quality of food services provided at ASD/ASB in Tucson
- Percent of parents satisfied with the quality of medical services provided at ASD/ASB in Tucson

*Strategy/Strategies:*

- Require weekly updates from identified agency level staff
- Work with ADOA to evaluate the current status of facilities and modify capital project needs as best meets the needs of the agency in a cost effective and efficient manner
- Purchase software used to design and maintain bus routes in the most cost effective manner possible
- Purchase necessary equipment to help maintain buses in the best operating manner possible
- Training of key staff
- Replace vehicles that exceed the recommended mileage
- Remodel Food Service Building to make it more cost effective

**PHOENIX CAMPUS**

**Goal 1:** To increase efficiency and effectiveness in the instructional program for students served by ASDB Programs.

*Performance Measures:*

- Percent of Individual Educational Plans (IEP) with participation of representatives from school districts
- Percent of IEPs developed with participation of parent

*Strategy/Strategies:*

- Surveys to parents
- Periodic meetings with parents
- IEP/ISFP trainings and workshops
- Clear and concise communication regarding IEPs

**Goal 2:** To exceed all expected performance standards as identified by the AIMS, and AIMS-A for every student served by an ASDB Program.

*Performance Measures:*

- Percent of parents satisfied with the quality of the program in Phoenix
- Percent of parents satisfied with their involvement in the program

*Strategy/Strategies*

- Scientifically based curriculum
- Development of multiple data points
- Extended Day tutoring opportunities
- Increased instructional days

**Goal 3:** To effectively manage transportation, food service and medical services to ensure that these programs are supportive of the educational programs.

*Performance Measures:*

- Percent of parents satisfied with the quality of transportation services provided at PDS
- Percent of parents satisfied with the quality of food services provided at PDS
- Percent of parents satisfied with the quality of medical services provided at PDS

*Strategy/Strategies:*

- Require weekly updates from identified agency level staff
- Work with ADOA to evaluate the current status of facilities and modify capital project needs as best meets the needs of the agency in a cost effective and efficient manner
- Purchase software used to design and maintain bus routes in the most cost effective manner possible
- Purchase necessary equipment to help maintain buses in the best operating manner possible
- Training of key staff
- Replace vehicles that exceed the recommended mileage
- Secure funding to construct a new gymnasium to meet enrollment needs
- Secure funding to construct a new preschool/elementary school building

**PRE-SCHOOLS**

**Goal 1:** To increase the number of students participating in the Parent Outreach Program.

*Performance Measures:*

- Number of students served annually through the Parent Outreach Program and the Preschool program

*Strategy/Strategies:*

- Work closer with Parent advocacy groups
- Expand work with Arizona Early Intervention
- Continue to work with Parent Information Network (PINS)
- Increase publication materials to school districts
- Provide training to districts special education personnel

**Goal 2:** To provide quality programming for preschool students.

*Performance Measures:*

- Percent of parents rating overall quality as good or excellent
- Percent of parents indicating the staff regularly communicates with them
- Percent of parents who feel their child is progressing satisfactorily toward their child's IEP/IFSP goals
- Percent of parents satisfied with their level of participation in the IEP/IFSP and MET process
- Percent of parents satisfied with the services and specialized equipment provided based on the IEP/ISFP

*Strategy/Strategies:*

- Conduct surveys (written/phone calls) to determine how to evaluate and provide guidance to improving the process
- IEP and IFSP training to families

## **REGIONAL COOPERATIVE PROGRAMS**

**Goal 1:** To operate the Cooperatives in a cost effective manner.

*Performance Measures:*

- Per student costs for Cooperatives

*Strategy/Strategies:*

- Work with materials provided by the Auditor General's office, local school districts, and ASDB personnel to continue to monitor and fully implement the most cost effective model

**Goal 2:** To provide quality programming for students.

*Performance Measures:*

- Percent of parents rating the program as good or excellent

*Strategy/Strategies:*

- Conduct parent surveys (written/phone calls) to determine how to evaluate and provide guidance to improving the process
- Conduct student surveys (written/interviews) to determine how to evaluate and provide guidance to improving the process
- Conduct staff surveys (written) to determine how to evaluate and provide guidance to improving the process

**Goal 3:** To provide programming meeting the individual needs of students.

*Performance Measures:*

- Percent of parents rating the student IEP progress as good or excellent

*Strategy/Strategies:*

- Conduct surveys (written/phone calls) to determine how to evaluate and provide guidance to improving the process
- IEP and IFSP training to families

**Goal 4:** To increase the number of students served through the regional cooperatives.

*Performance Measures:*

- Number of students served by the regional cooperatives and the Outreach program

*Strategy/Strategies:*

- Work closer with Parent advocacy groups
- Increase publication materials to school districts
- Provide training to county superintendents
- Provide training to districts special education personnel

**Goal 5:** To increase the number of school districts served by the Cooperatives.

*Performance Measures:*

- Number of districts served by the Cooperatives

*Strategy/Strategies:*

- Increase publication materials to school districts
- Provide training to county superintendents
- Provide training to districts special education personnel

## EXECUTIVE SUMMARY

The Arizona School for the Blind (ASB), located on the Tucson Campus of the Arizona State School for the Deaf and the Blind, is accredited by AdvancED and provides quality educational services to students from pre-school through high school. ASB focuses on the unique educational needs of students with visual impairments, ages 3 through 21 years, who benefit from a full-time teacher of the Visually Impaired in a fully accessible environment.

Based on the Arizona Common Core Standards, ASB is committed to providing quality educational programs for students who are blind or visually impaired through classroom, community, extra-curricular and vocational learning environments. ASB places a high value on braille, and has a long-term commitment to braille for literacy and academic success. We also fully integrate the Expanded Core Curriculum into our program and services.

The Arizona School for the Deaf (ASD) is located on the Tucson Campus of the Arizona State Schools for the Deaf and the Blind. The school was established in 1912 and has a century long history of providing quality educational services to students who are deaf or hard of hearing. Students, from ages 3 to 21, come to the Tucson campus from all over the state to be immersed in a bilingual, direct communication environment.

The school is committed to providing a safe, supportive, challenging and comprehensive learning environment. It promotes measurable student academic achievement and observable growth in intellectual development, emotional maturity, physical health and well being, social development, cultural awareness and civic responsibility. ASD recognizes the value of each student and strives to meet each student's academic, social, cultural and language needs.

Phoenix Day School for the Deaf (PDS) was established in 1967. PDS is a division of the Arizona State Schools for the Deaf and the Blind. PDS has been providing quality educational programming for children who are deaf or hard-of-hearing for over 40 years within the metropolitan Phoenix area. The school was originally established at the urging of Phoenix parents who wanted their children educated closer to home. PDS began in 1967 with 26 elementary students and 5 teachers. Today they have 370 students in Kindergarten through 12th grade and 90 faculty. The high school department was established in 1979 with the first graduating class in 1983. PDS has been fully accredited by the North Central Association since 1982.

The Phoenix Campus provides a full array of educational and support services to day students in Elementary, Middle School and High School. These services include counseling, communication instruction (American Sign Language, speech, auditory training, speech reading, augmentative communication, public speaking, reading intervention, pragmatics, and communicative competence), audiology, occupational and physical therapy, vocational training, career counseling and transition planning.

The School supports a philosophy which includes the acquisition and development of two languages: American Sign Language (ASL) and English. The curriculum parallels that of any regular public school program with modifications made to meet the communication needs of deaf and hard of hearing children. Culinary, physical education, fine arts, and computer instruction are an integral part of the curriculum for all students. PDS has the only comprehensive secondary program designed exclusively for deaf and hard of hearing children in the Phoenix area. Advanced vocational and career preparation programs are available to high school students through Metro Tech and the East Valley Institute of Technology. Completion of the academic/vocational course of study or the college preparatory course of study lead to the Arizona high school diploma.

ASDB Early Childhood and Family Education (ECFE) provides the Arizona Early Intervention Program (AZEIP) services for Arizona's children, birth to 3 years old, who have a diagnosed bilateral, permanent hearing loss and/or a medically diagnosed visual impairment. This statewide program is designed to work in cooperation with other agencies and programs.

ASDB provides services to families living all over Arizona, in order to meet the needs of families in their local communities. We recognize that the relationship between parents and their child is of primary importance in a child's physical, mental and emotional development. Services are provided in the home or other natural environments by professionally trained staff. ECFE works together with families by providing information, education and support during the transition into preschool or kindergarten.

Children who are eligible for special education services in their school district may be eligible to receive preschool education through ASDB. Depending on the needs of the local communities, these services may be provided through center-based settings or itinerant teachers. Curriculum is

aligned with the Arizona Early Learning Standards. Center-based sites, in Tucson and Phoenix, are accredited by the National Association for Education of Young Children. ASDB provides preschool services throughout the state at site-based preschools and in ASDB's Regional Cooperative programs.

The five ASDB Regional Cooperatives partner with local school districts in Arizona. The goal of the partnership is to provide appropriate educational programs and services for students who are deaf, hard of hearing, blind, visually impaired or deaf-blind. The joint efforts of the local school and the Cooperative help these students succeed in the general education environment.

The Regional Cooperative Programs serving Arizona are divided as follows:

**Desert Valleys Regional Cooperative (DVR):** Serving the Phoenix metro area and part of Gila County

**Eastern Highlands Regional Cooperative (EHR):** Serving northeastern Arizona

**North Central Regional Cooperative (NCR):** Serving northern Arizona including: Prescott, Verde Valley Region, Sedona, Kingman, Navajo/Hopi Reservation and Flagstaff

**Southeast Regional Cooperative (SER):** Serving the Tucson area and southeastern Arizona

**Southwest Regional Cooperative (SWR):** Serving southwestern Arizona

**RESOURCE ASSUMPTIONS**

<b>5 Year Resource Assumptions</b>						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-Time Equivalent (FTE) Positions	541.2	541.2	541.2	541.2	541.2	541.2
General Fund	20586.1	25151.6	23759.6	23759.6	23759.6	23759.6
Other Appropriated Funds	13296.1	13296.1	13296.1	13296.1	13296.1	13296.1
Non-Appropriated Funds	18161.6	18161.6	18161.6	18161.6	18161.6	18161.6
Federal Funds	2451.1	2451.1	2451.1	2451.1	2451.1	2451.1
Total Agency Funds	54494.9	59060.4	57668.4	57668.4	57668.4	57668.4



## Agency Summary

### ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND

Robert E. Hill, Superintendent  
 Phone: (520) 770-3704  
 A.R.S. § 15-1300 et. Seq

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ PHOENIX DAY SCHOOL	11,383.8	11,477.4	11,738.7	11,533.7
➤ TUCSON CAMPUS	15,768.2	15,040.7	18,878.8	17,691.8
➤ REGIONAL COOPERATIVES	17,859.5	17,618.5	17,697.9	17,697.9
➤ PRESCHOOL/OUTREACH	4,958.1	6,250.5	5,529.5	5,529.5
➤ ADMINISTRATION	5,149.8	4,107.8	5,215.5	5,215.5
<b>Agency Total:</b>	<b>55,119.4</b>	<b>54,494.9</b>	<b>59,060.4</b>	<b>57,668.4</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	20,803.1	20,586.1	25,151.6	23,759.6
Other Appropriated Funds	13,473.1	13,296.1	13,296.1	13,296.1
Other Non Appropriated Funds	20,843.2	20,612.7	20,612.7	20,612.7
<b>Total Funding</b>	<b>55,119.4</b>	<b>54,494.9</b>	<b>59,060.4</b>	<b>57,668.4</b>
<b>FTE Positions</b>	<b>893.7</b>	<b>850.7</b>	<b>850.7</b>	<b>850.7</b>

**Program Summary**

PHOENIX DAY SCHOOL

Robert Hill, Superintendent  
 Phone: (520) 770-3704  
 A.R.S. § 15-1300 et. Seq

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	3,789.2	4,119.8	4,381.1	4,176.1
Other Appropriated Funds	5,981.5	5,821.9	5,821.9	5,821.9
Other Non Appropriated Funds	1,613.1	1,535.7	1,535.7	1,535.7
<b>Total Funding</b>	<b>11,383.8</b>	<b>11,477.4</b>	<b>11,738.7</b>	<b>11,533.7</b>
<b>FTE Positions</b>	<b>197.3</b>	<b>179.5</b>	<b>179.5</b>	<b>179.5</b>

◆ **Goal 1** To increase efficiency and effectiveness in the instructional program for students served by ASDB Programs.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of Individual Educational Plans (IEP) with participation of representatives from school districts	100	95	100	95	95	95
Percent of IEPs developed with participation of parent	97	0	96	100	100	100

◆ **Goal 2** To exceed all expected performance standards as identified by the AIMS, and AIMS-A for every student served by an ASDB Program.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of parents satisfied with the quality of the program in Phoenix	96	95	95	95	95	95
Percent of parents satisfied with their involvement in the program	97	95	96	95	95	95

◆ **Goal 3** To effectively manage transportation, food service and medical services to ensure that these programs are supportive of the educational programs.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of parents satisfied with the quality of transportation services provided at PDSD	95	95	96	95	95	95
Percent of parents satisfied with the quality of food services provided at PDSD	91	90	93	90	90	90
Percent of parents satisfied with the quality of medical services provided at PDSD	100	95	95	95	95	95

**Program Summary**

TUCSON CAMPUS

Robert Hill, Superintendent  
 Phone: (520) 770-3704  
 A.R.S. § 15-1300 et. Seq

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	10,296.5	9,795.2	13,633.3	12,446.3
Other Appropriated Funds	4,541.6	4,333.9	4,333.9	4,333.9
Other Non Appropriated Funds	930.1	911.6	911.6	911.6
<b>Total Funding</b>	<b>15,768.2</b>	<b>15,040.7</b>	<b>18,878.8</b>	<b>17,691.8</b>
<b>FTE Positions</b>	<b>291.0</b>	<b>279.7</b>	<b>279.7</b>	<b>279.7</b>

◆ **Goal 1** To increase efficiency and effectiveness in the instructional program for students served by ASDB Programs.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of Individual Educational Plans (IEP) with participation of representatives from school districts in Tucson	100	95	100	95	95	95
Percent of IEPs developed with participation of parent	100	95	100	95	95	95
Percent of parents satisfied with their involvement in the program in Tucson	100	95	100	95	95	95
Percent of parents satisfied with the quality of educational programs provided to their child.	99	95	94	95	95	95

◆ **Goal 2** To exceed all expected performance standards as identified by the AIMS, and AIMS-A for every student served by an ASDB Program.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of parents satisfied with the quality of the program in Tucson	99	95	94	95	95	95

◆ **Goal 3** To effectively manage transportation, food service and medical services to ensure that these programs are supportive of the educational programs.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of parents satisfied with the quality of transportation services provided at ASD/ASB in Tucson.	96	95	98	95	95	95
Percent of parents satisfied with the quality of food services provided at ASD/ASB in Tucson.	96	90	89	90	90	90
Percent of parents satisfied with the quality of medical services provided at ASD/ASB in Tucson.	100	95	95	95	95	95

**Program Summary**

REGIONAL COOPERATIVES

Robert Hill, Superintendent  
 Phone: (520) 770-3704  
 A.R.S. § 15-1300 et. Seq

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	908.6	798.6	878.0	878.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	16,950.9	16,819.9	16,819.9	16,819.9
<b>Total Funding</b>	<b>17,859.5</b>	<b>17,618.5</b>	<b>17,697.9</b>	<b>17,697.9</b>
<b>FTE Positions</b>	<b>285.1</b>	<b>274.0</b>	<b>274.0</b>	<b>274.0</b>

<b>◆ Goal 1</b> To operate the Cooperatives in a cost effective manner	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
<b>Performance Measures</b>						
Per student costs for Cooperatives	15508	15,508	15508	15508	15508	15508

<b>◆ Goal 2</b> To provide quality programming for students	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
<b>Performance Measures</b>						
Percent of parents rating the program as good or excellent	97	95	98	95	95	95

<b>◆ Goal 3</b> To provide programming meeting the individual needs of students	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
<b>Performance Measures</b>						
Percent of parents rating the student IEP progress as good or excellent	96	95	95	95	95	95

<b>◆ Goal 4</b> To increase the number of students served through the regional cooperatives.	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
<b>Performance Measures</b>						
Number of students served by the regional cooperatives and the Outreach program	1300	1600	1596	1600	1600	1600

<b>◆ Goal 5</b> To increase the number of school districts served by the Cooperatives	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
<b>Performance Measures</b>						
Number of districts served by the Cooperatives	225	240	246	246	246	246

**Program Summary**

PRESCHOOL/OUTREACH

Robert Hill, Superintendent  
 Phone: (520) 770-3704  
 A.R.S. § 15-1300 et. Seq

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,416.1	2,281.1	1,560.1	1,560.1
Other Appropriated Funds	2,950.0	3,140.3	3,140.3	3,140.3
Other Non Appropriated Funds	592.0	829.1	829.1	829.1
<b>Total Funding</b>	<b>4,958.1</b>	<b>6,250.5</b>	<b>5,529.5</b>	<b>5,529.5</b>
<b>FTE Positions</b>	<b>50.3</b>	<b>53.9</b>	<b>53.9</b>	<b>53.9</b>

◆ **Goal 1** To increase the number of students participating in the Parent Outreach Program

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of students served annually through the Parent Outreach Program and the Preschool program.	500	500	585	600	600	600

◆ **Goal 2** To provide quality programming for preschool students

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of parents rating overall quality as good or excellent	100	95	100	95	95	95
Percent of parents indicating the staff regularly communicates with them.	100	95	100	95	95	95
Percent of parents who feel their child is progressing satisfactorily toward their child's IEP/IFSP goals.	100	95	96	96	96	96
Percent of parents satisfied with their level of participation in the IEP/IFSP and MET process.	100	95	100	95	95	95
Percent of parents satisfied with the services and specialized equipment provided based on the IEP/ISFP.	100	95	100	95	95	95

**Program Summary**

ADMINISTRATION

Robert Hill, Superintendent  
 Phone: (520) 770-3704  
 A.R.S. § 15-1300 et. Seq

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	4,392.7	3,591.4	4,699.1	4,699.1
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	757.1	516.4	516.4	516.4
<b>Total Funding</b>	<b>5,149.8</b>	<b>4,107.8</b>	<b>5,215.5</b>	<b>5,215.5</b>
<b>FTE Positions</b>	<b>70.0</b>	<b>63.6</b>	<b>63.6</b>	<b>63.6</b>

◆ **Goal 1** To prudently and fairly manage personnel resources of the Agency.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of permanent certified positions filled PDS	85	85	76	85	85	85
Percent of permanent classified positions filled PDS	85	85	89	90	90	90
Percent of permanent certified staff turnover PDS	10	10	19	10	10	10
Percent of permanent classified staff turnover PDS	25	25	16	20	20	20

◆ **Goal 2** To effectively manage facilities, transportation, food service and loss prevention to ensure that these services are supportive of the educational programs.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of parents satisfied with the quality of the medical services provided at ASDB.	99	95	95	95	95	95
Percent of parents satisfied with the quality of transportation services provided at ASDB.	96	95	97	95	95	95
Percent of parents satisfied with the quality of food services provided at ASDB.	93	90	95	90	90	90

◆ **Goal 3** To maintain a positive relationship with parents

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of parents satisfied with leadership at ASDB	99	90	96	90	90	90
Percent of parents rating overall quality of services as good or excellent based on annual survey PDS	98	95	95	95	95	95

◆ **Goal 4** To exceed all expected performance standards as identified by the AIMS, and AIMS-A for every student served by an ASDB Program.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of parents satisfied with instructional programs and services as measured by a survey	96	95	95	95	95	95

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
PDS						
Percent of students graduating from PDS with a high school diploma	100	100	100	100	100	100
Percent of students graduating from ASB and ASD with a high school diploma	100	100	100	100	100	100

◆ **Goal 5** To prudently and fairly manage personnel resources of the Agency

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of permanently certified positions filled (TC)	90	90	92	90	90	90
Percent of permanent classified positions filled (TC)	80	80	89	90	90	90
Percent of permanent certified staff turnover (TC)	10	10	12	10	10	10
Percent of permanent classified staff turnover (TC)	25	25	15	10	10	10

◆ **Goal 6** To maintain a positive relationship with parents.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of parents rating overall quality of services as good or excellent based on annual survey (TC)	97	90	100	95	95	95

◆ **Goal 7** To provide quality services to the schools within the Regional Cooperatives

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of parents with students served through the cooperatives satisfied with the services provided by ASDB.	97	95	96	96	96	96

# Commission for the Deaf and Hard of Hearing

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



# Five Year Strategic Plan



Sherri L. Collins

Executive Director

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January 1, 2013

Dear Arizonans:

I am pleased to share the five year Strategic Plan of the Arizona Commission for the Deaf and the Hard of Hearing. The management team and staff have been working diligently to meet the varying needs of the 704,000 Arizonans who are Deaf, Hard of Hearing, Deaf-Blind and persons with speech difficulties as well as their families, employers and service providers.

In the midst of hiring freezes and reduction in travel and other resources the ACDHH staff has continued to maintain the highest quality of service to all. In 2010 ACDHH conducted three Visioning Conferences to determine the future direction and establish key priorities for the agency. Consumers, advocates, service providers, educators and parents from across the state were invited to provide valuable feedback to the commission on its goals and vision for the future. The events were well attended and the results established the course for the agency for the next five years.

What you will see on the following pages is a collaborative plan from consumers, agency staff, commissioners and service providers who invested time and energy to plan for a better future for Arizonans.

The Commission continues its ongoing outreach efforts to increase awareness about the needs of the deaf and the hard of hearing by attending conferences and programs throughout the state. We have launched a healthcare providers' curriculum and have begun providing trainings to medical professionals across Arizona. In addition, our equipment distribution program continues to be a vibrant part of our programs and services. The equipment program staff provided approximately 200 hands-on telephone trainings for citizens and distributed approximately 961 devices during FY '12. The commission licensed 57 new American Sign Language interpreters bringing the total to 306 licensed interpreters statewide. During FY '12 the Arizona Relay Service provided 825,536 call minutes for customers with a 99.9% satisfaction rate. The Commission recently entered into a new agreement with AT&T as the Arizona Relay Service provider.

Our board of commissioners take an active role in the direction of our agency and they are committed to ensuring that ACDHH continues to be on the cutting edge of information, resources and technology to improve the quality of lives for citizens who are Deaf, Hard of Hearing, Deaf-Blind and those with speech difficulties.

On behalf of the board and our staff, I thank you for this opportunity to share this information about ACDHH.

Sincerely,

Sherri L. Collins  
Executive Director

## **Executive Summary**

The Arizona Commission for the Deaf and the Hard of Hearing (ACDHH) was established in 1977 to improve the quality of life for deaf and hard of hearing residents. ACDHH serves as a statewide information referral center for issues related to people with hearing loss, oversees the Arizona Relay Service, the Telecommunications Equipment Distribution Program and licenses American Sign Language Interpreters. The agency serves citizens who are deaf-blind and who have speech difficulties as well. The agency name was changed in 1985 to the Arizona Council for the Hearing Impaired, and in 2000 was again changed to its present name.

## **Mission**

The purpose of the ACDHH is to ensure, in partnership with the public and private sectors, accessibility for the deaf and hard of hearing and to improve their quality of life.

## **Vision**

The energetic and innovative ACDHH team aspires to be a national leader in the provision of communication access, support services, and community empowerment throughout the Grand Canyon State.

## **Statute and Regulatory Requirements**

To remain at the forefront of service delivery for deaf and hard of hearing Arizonans, ACDHH continues to work towards its specific regulatory obligations:

The commission shall act as a bureau of information to the deaf and the hard of hearing, state agencies and institutions providing services to the deaf and the hard of hearing, local agencies of government and other public or private community agencies and programs. In this capacity, the commission shall:

- Inform the deaf and hard of hearing of the programs and activities of the Commission and other services available to them at all levels of government.
- Develop and foster a framework for consultation and cooperation with the rehabilitation services bureau of the Department of Economic Security and with all institutions represented on the Commission.
- Study issues relating to the deaf and the hard of hearing, review the administration and operation of various programs and make recommendations concerning these issues to the programs and to the agencies represented on the Commission

- Submit an annual report to the governor and the legislature concerning its findings and recommendations.
- Review the problems of the deaf and the hard of hearing as they relate to the need for effective and appropriate auxiliary aids in public places.
- Maintain contractual compliance for Arizona Relay Service and enhance public awareness of relay service.
- Review and compile information on the development of acoustical technology for the hard of hearing and advocate the use of this technology if it deems appropriate.
- Make recommendations to state agencies, political subdivisions and institutions on how to meet the needs of the deaf and the hard of hearing.
- License American Sign Language Interpreters and certify teachers of American Sign Language.
- Make recommendations to the legislature regarding statutory changes needed to implement a statewide newborn child hearing loss screening program.
- Establish and administer a statewide program to purchase, repair and distribute telecommunication devices to residents of this state who are deaf, severely hearing or speech impaired.

## **Strategic Issues – Strategies - Performance Measures**

**Strategic Issue 1:** To increase public awareness of accessibility issues related to the Deaf, Hard of Hearing, Deaf-Blind and persons with speech difficulties.

Deafness and Hearing loss are known as the “invisible disabilities” as they can’t be as readily identified as physical disabilities. Service providers, employers and educators and the general public lack the knowledge needed to better serve and communicate with these persons who are Deaf, Hard of Hearing, Deaf-Blind or challenged with speech difficulties. During the ACDHH 2010 Visioning Conferences the need to increase public awareness efforts was a common thread of concern from citizens. The Commission’s fourteen staff is responsible for serving the entire state. Among the fourteen staff there is one Deaf Specialist, one Hard of Hearing Specialist and one Information and Referral staff. Staff utilizes all possible resources for outreach and education to increase public awareness of the needs of the more than 704,000 Arizonans who are Deaf, Hard of Hearing, Deaf-Blind or persons with speech difficulties.

**Strategy 1.1:** Increase public outreach and education by attending community events such as health fairs, professional trainings and conferences to provide information regarding the accessibility issues and needs of the population.

**Strategy 1.2:** Submit written educational and information articles to newspapers, magazines and journals.

**Strategy 1.3:** Continue to provide quality information and referral resources for agencies and consumers.

**Strategy 1.4:** Continue to utilize social media and advanced technology to promote awareness of issues related to deafness and hearing loss.

**Strategy 1.5:** Maintain proactive media relations efforts.

**Strategy 1.6:** Maintain an up-to-date agency website.

### **Performance Measures:**

- Number public sector events attended
- Number of articles submitted for publication in print and electronic media
- Number of information and referral services documented
- Number of media campaigns completed

- Documented website improvements
- Consumer satisfaction survey results

**Strategic Issue 2:** To increase the number of public and private sector partnerships in providing training and program services.

During ACDHH Visioning Conference in 2010 consumers consistently requested that there be an increase in advocacy services in the areas of healthcare and public safety. When access to effective communication is denied staff provides consultation/training services to service providers and consumers to better understand their obligations and rights under state and federal law. These consultations can lead to partnerships and ultimately systemic change. By educating service providers of the needs of the Deaf and the Hard of Hearing they are better able to serve these citizens when encountered. Citizens are best served when state, city and local service providers partner. Consumer education is critical as well in order for citizens to understand their rights and responsibilities when requesting services. This education can be achieved by partnering with consumer organizations.

**Objective 2.1:** Continue to identify and provide training to key partners in healthcare to improve the quality of healthcare services for the Deaf, Hard of Hearing, Deaf-Blind and those with speech difficulties.

**Objective 2.2:** Continue to identify key partners and provide training in the areas of public safety to improve the quality of services provided to deaf, hard of hearing and deaf-blind citizens during emergencies.

**Objective 2.3:** Collaborate with current and new partners to develop a public safety training curriculum for professionals and consumers.

**Objective 2.4:** Collaborate with current and new partners to provide a statewide conference on deafness and hearing loss.

**Objective 2.5:** Collaborate with advocacy agencies to establish an effective legal resource to provide consultation, mitigation and legal representation for consumers with disabilities.

**Objective 2.6:** Collaborate with consumer organizations to provide consumer education series to teach citizens self advocacy techniques.

**Objective 2.7:** Partner with colleges and universities to promote the establishment of training and degree programs to develop professionals in the field of deafness and hearing loss.

**Performance Measures:**

- Number of partnerships formed
- Number of trainings provided
- Completed public safety curriculum
- Completion of a statewide conference
- Number of consumer education sessions held

**Strategic Issue 3:** To monitor and improve processes and services for all public benefits programs of ACDHH.

ACDHH provides a telecommunications equipment distribution program (AzTEDP) and licensing of American Sign Language interpreters. It is the goal of the agency to provide user-friendly application processes for each program and assist consumers and professionals in benefiting from these programs.

AzTEDP provides much needed telecommunications equipment critical to improving the quality of life and continued independence for 704,000 Arizonans. Interpreter licensing is a critical service to both professionals and consumers of the services. Equal access to effective communication is necessary for consumers, however, it is crucial that providers be licensed to provide this service. Licensure went into effect in October 2007. Services are provided to approximately 350 licensed providers as well as students in interpreter training programs throughout the state. It is important that the Commission maintain effective, clear and concise rules and processes to provide the best of services.

**Strategy 3.1:** Assess processes of the Arizona Telecommunications Equipment Distribution Program (AzTEDP).

**Strategy 3.2:** Increase the number of devices distributed by 5% annually.

**Strategy 3.3:** Research advanced technology to improve the quality of telecommunications devices available to consumers through AzTEDP.

**Strategy 3.4:** Assess processes of the Licensing/Certification Department

**Performance Measures:**

- Review program manuals and applications



- Review program documentation of number of devices distributed
- Provide online applications and instructions
- Interaction with peers in the field of telecommunications and professional manufacturers of advanced technology.

**Strategic Issue 4:** To monitor telecommunications relay services to ensure compliance with current contract, maintain excellent customer service and increase service usage.

The provision of equal access to telecommunications services is a federal requirement. ACDHH strives to provide the highest quality relay services in the nation. AT&T is the current contractor for providing telecommunications relay services for the state of AZ. The Commission holds very high standards for the citizens of the state.

**Strategy 4.1:** Conduct monthly reviews of required reports from the current service provider.

**Strategy 4.2: Strategy 4.3:** Require an increase in outreach and education efforts for Arizona Relay Service

**Strategy 4.4:** Increase usage of relay services by 5% annually

**Strategy 4.5:** Maintain a 98% customer satisfaction rate

**Performance Measures:**

- Documentation of report monitoring.
- Number of outreach events conducted.
- Documentation of increase in call minutes
- Monitor customer satisfaction rates

**Strategic Issue 5:** To employ and retain the most proficient staff in the field of deafness and hearing loss through professional development.

ACDHH is the only state agency dedicated to improving the quality of life for 704,000 Deaf, Hard of Hearing, Deaf-Blind citizens and persons with speech difficulties. The retention of specialized staff is critical to achieving the mission of the agency. Staff demonstrate the unique skills of American Sign Language in addition to understanding the unique needs of the consumer groups. It is vital for staff to remain on the cutting edge of development in this field.

**Strategy 5.1:** Promote advanced education and training for staff.

**Strategy 5.2:** Promote all methods of training and education.

**Performance Measures:**

- Number of local and national level trainings and conferences attended
- Number of supervisor directed trainings attended

- Utilization of distance learning and other technological options for education

## Resource Assumptions

	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2017 Estimate	FY 2018 Estimate
Full-time Equivalent (FTE) Positions	15	15	15	15	15	15
General Fund						
Other Appropriated Funds	3,749.0	3,833.8	3,927.4	4,089.0	4,263.5	4,452.0
Non- Appropriated Funds	258.8					
Federal Funds						
Total Agency Funds	4,007.8	3,833.8	3,927.4	4,089.0	4,263.5	4,452.0

Note:

- Relay increases in years FY14 and FY15 are calculated at 5%.
- Relay increases in years FY16, FY17 and FY18 are calculated at 8%.
- Arizona Statewide Conference is planned for FY16 in the amount of \$50.0.

### Agency Summary

#### COMMISSION FOR THE DEAF AND HARD OF HEARING

Sherril L. Collins, Executive Director  
 Phone: (602) 542-3336  
 A.R.S. §§ 36-1941 through 36-1978

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ COUNCIL ACTIVITIES	1,502.2	1,594.4	1,594.4	1,594.4
➤ TDD - TELECOMMUNICATION DEVICE FOR THE DEAF	1,718.7	2,154.6	2,154.6	2,154.6
<b>Agency Total:</b>	<b>3,220.9</b>	<b>3,749.0</b>	<b>3,749.0</b>	<b>3,749.0</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	3,220.9	3,749.0	3,749.0	3,749.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>3,220.9</b>	<b>3,749.0</b>	<b>3,749.0</b>	<b>3,749.0</b>
<b>FTE Positions</b>	<b>14.0</b>	<b>15.0</b>	<b>15.0</b>	<b>15.0</b>

**Program Summary**

**COUNCIL ACTIVITIES**

Lynn Wakefield, Business Manager  
 Phone: (602) 542-3363  
 A.R.S. §§ 36-1941 through 36-1978

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,502.2	1,594.4	1,594.4	1,594.4
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,502.2</b>	<b>1,594.4</b>	<b>1,594.4</b>	<b>1,594.4</b>
<b>FTE Positions</b>	<b>11.0</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>

◆ **Goal 1** To increase public awareness of accessibility issues related to the Deaf, Hard of Hearing, DeafBlind and persons with speech difficulties.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Total number of information and referral contacts	268,919	200,000	190,695	200,000	200,000	200,000

**Explanation:** Contacts and Trainings

Total number of website visits	54,435	60,000	51,377	60,000	60,000	60,000
Total number of advertisements	2,286,855	1,500,000	1,283,680	1,500,000	1,500,000	1,500,000

**Explanation:** In FY11 Agency revised data collection methods to reflect publication circulation, matching industry standards.

Total number of articles	1,939,210	1,500,000	1,989,531	1,500,000	1,500,000	1,500,000
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**Explanation:** In FY11 Agency revised data collection methods to reflect publication circulation, matching industry standards.

Number of persons receiving training, exhibits and workshops providing information on the Arizona Commission for the Deaf and Hard of Hearing, the Arizona Relay Service, and the Arizona Telecommunications Equipment Distribution Program	32,846	25,000	13,385	25,000	25,000	25,000
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Number of newsletters distributed	37,947	40,000	75,623	50,000	50,000	50,000
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**Explanation:** Agency began weekly E-Newsletter Distribution

◆ **Goal 2** To increase the number of public and private sector partnerships in providing training and program services.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of partnerships formed	5	5	3	5	5	5

◆ **Goal 3** To prepare future American Sign Language instructors for national-level standards and certification.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Total number of workshop hours	0	0	0	0	0	0

◆ **Goal 4** To improve interpreter support services.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of general licensed interpreters	293	320	306	350	350	350

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average number of calendar days from receipt of complaint about licensed interpreter to resolution	89	120	95	120	120	120
Number of complaints about certified/licensed interpreters	5	5	5	5	5	5
Number of licensed legal interpreters	35	44	36	45	45	45
Number of provisional interpreters	73	90	66	95	95	95

◆ **Goal 5** To improve public relations on issues related to hearing loss.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of printed articles related to the Arizona Commission for the Deaf and Hard of Hearing	1,417,396	1,000,000	1,063,009	1,000,000	1,000,000	1,000,000

**Explanation:** In FY11 Agency revised data collection methods to reflect publication circulation, matching industry standards.

Number of printed articles related to the Arizona Telecommunications Equipment Distribution Program	0	15	1,008,235	1,000,000	1,000,000	1,000,000
Number of printed articles related to the Arizona Relay Service	521,817	400,000	134,969	150,000	150,000	150,000

**Explanation:** In FY11 Agency revised data collection methods to reflect publication circulation, matching industry standards.

Number of telecommunication advertisements for Arizona Relay Service	0	5	10	10	10	10
Number of telecommunication advertisements for Arizona Telecommunications Equipment Distribution Program	0	5	4	10	10	10

**Program Summary**

TDD - TELECOMMUNICATION DEVICE FOR THE DEAF

Lynn Wakefield, Business Manager  
 Phone: (602) 542-3363  
 A.R.S. §§ 36-1941 through 36-1978

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,718.7	2,154.6	2,154.6	2,154.6
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,718.7</b>	<b>2,154.6</b>	<b>2,154.6</b>	<b>2,154.6</b>
<b>FTE Positions</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

◆ **Goal 1** To monitor telecommunications relay services to ensure compliance with current contract.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of telecommunications relay service calls completed without a complaint	99.9	99.5	99.9	99.5	99.5	99.5
Annual call minutes for the telecommunications relay service	907,938	1,200,000	825,536	866,812	910,153	955,661

◆ **Goal 2** To administer voucher system of the Telecommunications Equipment Distribution Program.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of customer satisfaction with equipment distribution voucher program	97	90	98	95	90	90
Number of equipment distributed to consumers	900	1,100	961	1,100	1,100	1,100
<b>Explanation:</b> Resumed Voucher Program						
Number of applications distributed to consumers regarding the equipment distribution program	994	1,500	1,443	1,500	1,575	1,575
Number of demonstrations performed	126	200	121	200	200	200

# Board of Dental Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

Board of Dental Examiners  
Five Year Strategic Plan  
FY14 – FY18

### **Mission Statement**

To provide professional, courteous service and information to the dental profession and the general public through examination, licensing, complaint adjudication and enforcement processes to protect the oral health, safety, and welfare of Arizona citizens through a fair and impartial system.

### **Agency Description**

The State Board of Dental Examiners examines, licenses, certifies professionals to practice in the field of dentistry, registers business entities providing dental services and permits mobile dental facilities. The Board also accepts complaints against licensees, certificate holders, business entities and mobile dental facilities, investigates allegations, and administratively adjudicates complaints. The Board regulates approximately 8,300 professionals licensed or certified to practice in the state and approximately 300 business entities, as well as serves all Arizona citizens who receive their professional services.

### **Strategic Issue #1: Improve employee efficiencies with technology**

When employees can be more efficient by having access to relevant and up-to-date technology, it is beneficial to both licensees and the public. In FY12 the Agency successfully launched an application which allows dentists, dental consultants, dental hygienists and denturists to renew their license online. The impact was realized not only in convenience to the licensees using the online renewal application but in decreasing the manpower required to move a paper renewal through the process which in turn decreased the time the renewal information was available to the public.

Developing online renewals was the culmination of years of building a new infrastructure to support the process. The Agency was challenged not only by leadership changes but also monetarily. With the success of online renewals, the Agency sees opportunity for other online functionality with the same result of convenience to the licensees/applicants, decreasing manpower and decreased time information is available to the public.

As the Dental Practice Act is amended, the Agency is challenged to maintain a database which supports new processes and allows for consistency and increases employee efficiency. Looking to the future, the Agency acknowledges a new mid-level dental provider is emerging whose regulation will be added to the Dental Practice Act.

Staying current with technology is a priority of Agency leadership. The Agency is challenged to maintain, upgrade and secure of the database to prevent frustration and lack of confidence in the Agency's technology by the public using the online directory of licensees, the licensee using an online function and staff maintaining the data.

The final component of using technology to improve employee efficiencies is the challenge of eliminating the flow of paper through the office. All aspects of licensure from initial application to



expiration of a license and all aspects of the complaint process are paper driven. Although online renewal has eliminated much of the paper in the renewal process, a paper copy of the renewal certificate kept in the licensee's administrative file.

### **Strategy 1**

The Agency plans to build on the realized efficiencies by developing an online renewal component for business entities, online initial license application submission, and online address changes to include the ability to order and pay for additional licenses. To accomplish this, the Agency has budgeted funds and allocated manpower to continue the relationship with the database vendor.

### **Strategy 2**

The Agency's complaint process has recently changed and is now fully implemented. The Agency will ensure database enhancements will be ongoing to support the new process. Knowing that the Dental Practice Act may be amended at any legislative session, the Agency must be prepared to make database modifications as they are legislated. As in Strategy 1, the Agency has budgeted funds and allocated manpower to continue the relationship with the database vendor.

### **Strategy 3**

The database is web-based which requires the Agency to stay current with technology to include hardware, software and internet services. The Agency plans to consult with state IT professionals for their expertise in what hardware, software and internet services are best practices for the Agency to follow. Replacement equipment will be budgeted for as needed.

### **Strategy 4**

In the next five years, the Agency plans to investigate and start implementation toward a paperless office. Although this is a large project, the Agency sees the advantages of being paperless outweigh being paper driven. As with the database, technology is a significant part of initiating and maintaining the project. Network scanners will be required as well as electronic storage. The Agency will build the paperless office incrementally. After researching solutions, the Agency will budget accordingly. The Agency has the manpower to manage the project.

## **Strategic Issue #2: Dissemination of Information**

Disseminating relevant information such as statute changes is important for our licensees as well as the public. In the past, the Agency published and mailed a newsletter. In the electronic age, printing and mailing a paper newsletter is not only costly, but not environmentally responsible.

### **Strategy 1**

Although the Agency's website contains relevant information, the Agency plans to publish articles not only about statute changes but specifically to address issues encountered by the Board which the licensee should know and would be of interest to the public. Licensees will be informed of a new article published to the website via email. There will be no additional funds used to implement and the Agency has the manpower to allocate to this issue.

**Resource Assumptions:**

	FY 2013 Appropriation	FY2014 Budget Request	FY 2015 Budget Request or Estimate	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
Full-time Equivalent (FTE) Positions	11	11	11	11	11	11
Appropriated Fund (2020)	\$1,189,600	\$1,189,600	\$1,189,600	\$1,189,600	\$1,189,600	\$1,189,600
Total Agency Funds	\$1,189,600	\$1,189,600	\$1,189,600	\$1,189,600	\$1,189,600	\$1,189,600

The assumption is stability of the appropriation for the next five years. As a regulatory 90/10 board, the Agency reacts to changes in legislation. The Agency is also at risk for litigation. It is important to have an appropriation to cover these potentialities.

## Agency Summary

### BOARD OF DENTAL EXAMINERS

Elaine Hugunin, Executive Director  
 Phone: (602) 242-1492  
 A.R.S. §§ 32-1201, 32-1299

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,109.9	1,189.6	1,189.6	1,189.6
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,109.9</b>	<b>1,189.6</b>	<b>1,189.6</b>	<b>1,189.6</b>
<b>FTE Positions</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>

◆ **Goal 1** To ensure public safety through improved efficiencies in regulating the dental profession.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average number of days from receipt of completed application to issuance or denial of certification or license	3	10	2	10	10	10
Total number of applications received	662	741	814	739	739	739
Total number of individuals or facilities licensed	8364	8566	8,577	8,694	8,811	8,929
Customer satisfaction rating (scale 1-5)	5	4	5	4	4	4
Total number of licenses/renewals issued	3004	3117	3,312	3,007	3,171	3,446
Average calendar days to renew a license (from receipt of application to issuance)	10	10	4	10	10	10
Percent of cases adjudicated each calendar year (ratio of complaints resolved to complaints received)	101	90	98	90	90	90
Average number of calendar days from receipt of complaint to resolution of complaint	104	150	106	150	150	150
Percent of investigations resulting in disciplinary or enforcement action	13	15	10	15	15	15
Number of licenses revoked or suspended	11	11	15	14	14	14
Total number of investigations conducted	326	447	292	357	357	357
Total number of complaints received annually	276	368	260	302	302	302
Total number of inspections conducted	184	208	234	210	210	210
Percent of total licensees with disciplinary action	1	5	1	3	3	3

◆ **Goal 2** To disseminate timely and accurate information for licensees and the public.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Publication of articles to our website which provides information to licensees regarding statutes and rules	0	2	0	3	6	9
Administration as a percent of total cost	4.7	5.0	4.4	5.0	5.0	5.0

# Early Childhood Development and Health Board

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



**Arizona Early Childhood Development and Health Board**

**Five-Year Strategic Plan**

**June 2012**

## MISSION

All Arizona's children are ready to succeed in school and in life.

## VISION

First Things First is one of the critical partners in creating a family-centered, comprehensive, collaborative and high-quality early childhood system that supports the development, health and early education of all Arizona's children birth through age five.

## VALUES

We must use culturally responsive practices. Every person we work with and every person working at First Things First has the right to be treated with dignity and respect.

Only through continuous improvement and innovation will we be able to maximize benefits to children and their families.

We are accountable to demonstrate that our work truly improves the lives of children and their families, and promotes support for investing in early childhood development and health.

We must be strong stewards of public and private funds demonstrating transparency and sound financial management.

Our partners, regional council members, staff and board reflect the diversity of our state and are our most valuable resources. We must develop and maintain a culture of strong collaboration and cooperation both internally and externally to best provide essential family supports while providing increased opportunities for young children to enjoy success in school and life.

## AGENCY DESCRIPTION

In November 2006, in a statistical landslide, Arizona voters passed Proposition 203; a citizen's initiative that funds quality early childhood development and health.

Designed to be a voluntary system of early care and education, Proposition 203 included the following principles:

- Local communities must come together to plan and administer what works best in their community
- It must be flexible enough to accommodate the unique demographics of our state
- It must be transparent and held accountable for outcomes

With its passage, the Proposition created a new state level board known as the Arizona Early Childhood Development & Health Board. The Board subsequently adopted the name First Things First as an uplifting reference to the voter-enacted initiative, and to exemplify the importance of early childhood

## STRATEGIC ISSUES & STRATEGIES

#	Strategic Issues	Situations	Strategies
1	<b>All children have access to high quality, culturally responsive early care and education that promotes their optimal development.</b>	<p>a. Early Care and Education System Development and Implementation—Convene partners and provide leadership in the development and implementation of a comprehensive early care and education system that is aligned both across the spectrum of settings and with the full continuum of the education system.</p> <p>b. Quality Early Care and Education Standards, Curriculum and Assessment—Convene partners, provide leadership and provide funding for the development and implementation of quality standards for early childhood care and education programs and related curricula and assessments.</p>	<p>i. Create a coordinated spectrum of programs and services with defined roles and responsibilities across agencies, organizations and individuals.</p> <p>ii. Design the Early Care and Education system to ensure access for all children to high quality, inclusive culturally responsive early care and education.</p> <p>iii. Identify and align early care and education funding, programs and services to eliminate gaps and prevent unnecessary duplication.</p> <p>iv. Build a system that promotes accountability and quality improvement, monitors programs and is coordinated among early care and education agencies and organizations.</p> <p>v. Build an integrated data system that provides data that can be used as part of an evaluation and monitoring system for early care and education</p> <p>i. Develop quality early learning standards and development guidelines and support early childhood providers to align curricula and assessments with the standards.</p>

	c. Quality, Access and Affordability of Regulated Early Care and Education Settings—Convene partners, provide leadership, and provide funding for increased availability of and access to high quality, regulated, culturally responsive and affordable early care and education programs.	i. Make available quality, affordable and culturally responsive early childhood education programs to all children and families across Arizona.
<b>2 All children have access to high quality, preventive and continuous health care, including physical, mental, oral and nutritional health.</b>	a. Access to Quality Health Care Coverage and Services— Collaborate with partners to increase access to high quality health care services (including oral health and mental health) and affordable health care coverage for young children and their families.	<ul style="list-style-type: none"> <li>i. Increase the number of children who have comprehensive health insurance.</li> <li>ii. Increase access to and utilization of preventative health care services for children and families.</li> <li>iii. Increase the number of women who receive early and adequate prenatal care.</li> </ul>
	b. Nutrition and Physical Activity- Collaborate with partners to support improved nutrition and increased age/developmentally appropriate physical activity levels among young children.	<ul style="list-style-type: none"> <li>i. Increase the number of children, families and caregivers that practice developmentally appropriate physical activity and incorporate good nutrition.</li> <li>ii. Create, sustain and expand community based partnerships that increase access to healthy food and physical activity.</li> <li>iii. Encourage community leadership, public awareness and community design that support better nutrition, increased physical activity and health conscious neighborhoods and public spaces.</li> </ul>



<p><b>3 All families have the information, services and support they need to help their children achieve to their fullest potential.</b></p>	<p>a. Supports and Services for Families—Convene partners, provide leadership, provide funding, and advocate for development, enhancement, and sustainability of a variety of high quality, culturally responsive, and affordable services, supports, and community resources for young children and their families.</p>	<ul style="list-style-type: none"> <li>i. Increase the availability of high quality family support and literacy services for families with young children.</li> <li>ii. Increase family access and participation in high quality family support and literacy services and the ability of families to promote positive child development, health &amp; literacy outcomes for their children.</li> <li>iii. Continuously improve the quality of family support and literacy services.</li> <li>iv. Expand the use of evidence based practice in the early childhood family support and literacy service system.</li> <li>v. Increase coordination of planning, developing, funding and delivering family support and literacy services to best meet the needs and preferences of families and to leverage available resources.</li> <li>vi. Increase the number of family members who are actively participating in the development of the system of family support and literacy services.</li> </ul>
<p><b>4 All early childhood education and health professionals are well prepared, highly skilled, and compensated commensurate with their education and experience.</b></p>	<p>a. Professional Development System—Convene partners, provide leadership, and provide funding for the development and enhancement of an early childhood professional development system that addresses availability, accessibility, affordability, quality, and articulation.</p>	<ul style="list-style-type: none"> <li>i. Build a comprehensive and well-articulated professional development system throughout Arizona that begins with the acquisition of a GED/high school diploma.</li> <li>ii. Provide access to ongoing education and training for all early childhood and education professionals across Arizona to meet professional development requirements and goals.</li> </ul>

<p><b>5 All Arizonans understand the importance of the early years and the impact of early childhood development and health and education on Arizona’s economy and quality of life and, as a result, substantially support early childhood development, health and education both politically and financially.</b></p>	<p>a. Building Public Awareness and Support—Convene partners, provide leadership, and provide funding for efforts to increase public awareness of and support for early childhood development, health and early education among partners, public officials, policy makers, and the public.</p>	<p>i. The public is aware of the benefits of investing in early childhood development, health and early education. ii. The public is committed through a strong, growing, and active pool of Arizonans who make early childhood development a priority.</p>
	<p>b. Early Childhood System Funding—Secure, coordinate, and advocate for resources required to develop and sustain the early childhood system.</p>	
	<p>c. There is adequate public and private funding to build and sustain the early childhood system.</p>	
<p><b>6 FTF is a learning organization that integrates innovation and a systems thinking approach.</b></p>	<p>a. FTF staff and volunteers have the resources, structures and processes in place so that continuous learning can occur and be recognized.</p>	<p>i. Develop fluent, adaptive and responsive systems thinkers who know how to apply systems thinking across the organization (staff and volunteers) and externally with system partners. ii. Establish mechanisms by which Regional Councils can provide local leadership in developing an early childhood systems model.</p>
<p><b>7 FTF is a model for comprehensive planning and program implementation with an emphasis on data driven decisions and continuous quality improvement.</b></p>	<p>a. Establish and maintain internal systems that promote accountability, efficiency and improvement.</p>	<p>i. Implement statewide and regional funding plans that are consistent with FTF’s indicators, benchmarks to progress, strategic direction, Standards of Practice based on best and evidence based practice, FTF logic model and the Arizona Model System. ii. Advance fiscal policy that is transparent, accountable, a public sector model and that aligns with a systems approach to programmatic implementation.</p>

		b. Establish and implement a comprehensive research and evaluation agenda.	
<b>8</b>	<b>FTF is a highly sought after place of employment and engagement that attracts and retains exceptional and diverse talent among staff and volunteers.</b>	a. FTF is an employee focused organization where wellness, innovation and professional development are valued and rewarded.	<ul style="list-style-type: none"> <li>i. Implement policies that support our Beliefs, Actions and Performance statement.</li> <li>ii. Create a climate that integrates cross divisional work teams and products and encourages innovative and critical thinking focused on results.</li> <li>iii. Recruit nationally and locally to hire and retain ideal candidates that are highly qualified and will carry out FTF's beliefs, actions, and performance statements.</li> <li>iv. Articulate and support professional development, skill building and career path opportunities.</li> <li>v. Create a culture that intentionally celebrates success.</li> </ul>
		b. FTF is a volunteer focused organization that promotes the wellness, innovation and professional development of State Board, Councils and committee volunteers.	<ul style="list-style-type: none"> <li>i. State Board, council and volunteer time is effectively utilized and optimized.</li> <li>ii. State Board, council and volunteer professional development opportunities are created throughout the year.</li> </ul>
<b>9</b>	<b>FTF is a local, state and national leader working to advance the entire early childhood system.</b>	a. Create awareness about Arizona's early childhood system.	<ul style="list-style-type: none"> <li>i. Develop and deploy information on early care and education in Arizona for diverse stakeholders.</li> <li>ii. Commit resources so that staff and volunteers can present and publish in applicable forums and serve in national roles.</li> <li>iii. Create opportunities for Council members and staff to serve and engage with community boards and committees.</li> <li>iv. Create opportunities for Arizona's early childhood system and/or FTF to be profiled or quoted in local, state, &amp; national media and industry publications.</li> </ul>

## RESOURCE ASSUMPTIONS

Resource Assumptions*						
	FY 2013 Appropriation	FY14 Budget Request	FY2015 Budget Estimate	FY 2016 Estimate	FY2017 Estimate	FY2018 Estimate
Full-time-equivalent (FTE) Positions	156.7	155.7	155.7	155.7	155.7	155.7
General Fund						
Other Appropriated Funds						
Non-Appropriated Funds	\$139,931,892	\$139,360,519	\$138,782,757	\$143,522,399	\$144,874,371	\$146,137,913
Federal Funds	\$1,045,000	\$65,000	\$70,000	\$70,000	\$70,000	\$70,000
<b>Total Agency Funds</b>	<b>\$140,976,892</b>	<b>\$139,425,519</b>	<b>\$138,852,757</b>	<b>\$143,592,399</b>	<b>\$144,944,371</b>	<b>\$146,207,913</b>

\*Budget estimates do not include regional carry forward amounts.

## Agency Summary

### EARLY CHILDHOOD DEVELOPMENT AND HEALTH BOARD

Rhian Evans Allvin, Executive Director  
 Phone: (602) 771-5100  
 ARS § 8-1181, ARS Title 8, Chap 13

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	142,122.2	177,562.3	179,432.7	180,648.3
<b>Total Funding</b>	<b>142,122.2</b>	<b>177,562.3</b>	<b>179,432.7</b>	<b>180,648.3</b>

FTE Positions	156.7	156.7	155.7	155.7
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◆ **Goal 1** To support the building of a comprehensive, high quality early childhood development and health system

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Dollars (in millions) awarded in support of direct program delivery	137	140	140.	145	145	145
Number of awards made	278	275	327	260	260	260
Number of Board service program goal areas funded	6/6	6/6	6/6	6/6	6/6	6/6

◆ **Goal 2** To increase public awareness of, and support for early childhood investment.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Dollars (in millions) spent on Communications	4.8	6.5	0	6.6	6.6	6.6
% of regions participating in a coordinated communications strategy	87	85	85	85	85	85
% of Arizonans who see Early Education as important and % who see K-12 important.	80/86	81/86	81/86	82/86	83/86	83/86

◆ **Goal 3** To achieve high level of integration, coordination and collaboration with early childhood partners and stakeholders.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Estimated number of grants that have Grant and Sub-Grantee relationship	30	30	30	30	30	30
Number of multi-agency grants FTF is the recipient of	2	2	2	2	3	3
% of Council seats/positions (required by statute to have broad and diverse community and sector composition) not filled	9	10	10	10	10	10

◆ **Goal 4** To monitor and report on services, results, and outcomes

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Dollars (in millions) spent on evaluation and Needs & Assets	7.9	6.4	6.7	6.4	6.4	6.4
% of grantees (providing direct client services and have reporting requirements) reporting on units served	95	99	99	100	100	100

◆ **Goal 5** To provide a cohesive and efficient delivery support structure within FTF

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Staff Vacancy Rate (%)	10	20	20	15	15	15
Staff External Turnover Rate (%)	26	8	1.4	.7	.7	.7
Staff External Voluntary Turnover Rate (%)	20	25	14	25	25	25
% of regional councils with dedicated staff	100	100	100	100	100	100
% of female (vs. male) employees	85	80	86	70	70	70
% of minority employees	48	43	43	40	40	40

◆ **Goal 6** To be fiscally accountable to the citizens of Arizona

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of Major Deficiencies in the Annual Audit	0.0	0.0	0.0	0.0	0.0	0.0

# Department of Economic Security

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# Arizona Department of Economic Security

## AGENCY LEVEL PLAN SFY 2014-2018

### **Mission:**

To promote the safety, well-being and self-sufficiency of children, adults, and families.

### **Description:**

The Department of Economic Security (DES) is an integrated human services agency that provides critical protective and assistance services each month to more than one million of Arizona's children, adults and families.

Together, DES' programs enhance the safety, well-being and self-sufficiency of Arizonans. Some of these programs include: child protective services; children's services to provide families the tools they need to care for their children; child care assistance for working parents; adult protective services; domestic violence shelter and supports; early intervention services for infants and toddlers at risk of developmental delays; home and community-based services for individuals with developmental disabilities and the aged; independent living programs for both seniors and young adults; unemployment insurance; employment assistance including vocational rehabilitation and job training; nutrition assistance; child support enforcement and medical assistance eligibility.

The Department is working to move beyond simply delivering services to partnering with our community to help individuals and families gain the tools they need to increase their independence by becoming self-sufficient. As a result, DES recognizes the interconnectedness and interdependence between its services and community resources. Therefore, the Department works closely with a network of faith-and community-based partners, other state agencies, local governments, Tribal Nations, as well as federal agencies that oversee Department programs, in the delivery of services to the people of Arizona.



## **Department Strategic Issues:**

### **Issue 1: Economic and Social Conditions**

While Arizona's economy has improved in the wake of the Great Recession, the recovery has been slow and Arizona and the nation continue to be impacted by national and global economic uncertainty. As a result, Arizona continues to see a substantial increase in poverty. According to the U.S. Census Bureau's 2011 Current Population Survey, Annual Social and Economic supplement, 17.2 percent of Arizonans live in poverty, up from 14.3 percent in 2007, and one in four children in Arizona are living below the federal poverty level. In 2012, the federal poverty level for a family of four is \$23,050 per year. In addition to the impact of economic conditions, social conditions in the state also affect the need for Department services. As more people have children later in life, for example, a growing segment of the population is raising children while simultaneously caring for aging parents.

As a result, DES continues to see a high demand for human services. Families are seeking assistance to meet basic needs such as housing, food, and health care, where in many cases they had not previously. As one example of the rising demand for Department services, from fiscal year 2007 to fiscal year 2012, Arizonans enrolled in the Supplemental Nutrition Assistance Program (SNAP) increased by 109 percent, from 537,000 to over 1.1 million, or over 17 percent of the state's population. Recently, economic conditions have begun to stabilize, and after reaching a peak in October 2011, demand in Arizona for SNAP has leveled off, though enrollment remains above that of any prior year.

Over the last year, the Department has also experienced rapid growth in the number of reports of child abuse and neglect. In fiscal year 2012, the number of reports of abuse and neglect grew by 17 percent. This increase is likely caused by a variety of factors, among them rising poverty and increased attention paid to child abuse cases in local media.

The rising number of reports of alleged child abuse and neglect, in turn, creates an increase in the number of investigations needed by Child Protective Services (CPS). In fiscal year 2012, nearly 40,000 investigations were conducted. While the proportion of investigations that result in a child being placed in foster care is virtually unchanged, the increase in investigations has driven an increase in the number of children that must be placed in out-of-home care. This number has topped 13,000 children for the first time and has saturated the Department's capacity to place children in family foster homes, resulting in the increased use of more expensive and less preferred congregate care settings.

In addition to the growth in child welfare, the Department has seen caseloads grow in a variety of programs. From fiscal year 2011 to fiscal year 2012, the number of reports of elder abuse, neglect, or financial exploitation to Adult Protective Services increased by 28 percent. The

Department does not anticipate that this level of growth will continue in fiscal years 2013 and 2014, though 10 to 15 percent growth is likely.

The average monthly Arizona Long Term Care System members with developmental disabilities are projected to increase 4.5 percent in fiscal year 2014 to about 26,300. This growth is consistent with the rate experienced in recent years, though historic growth has been closer to 6.0 percent.

Arizona has also seen an increase in the number of individuals seeking assistance in finding employment. Due to impacts from the economy, more people have registered in the Department's automated labor exchange system, AZJobConnection ([www.azjobconnection.gov](http://www.azjobconnection.gov)). During calendar year 2010, there was a monthly average of 14,046 individuals registered in the automated system. As of August 2012, there was a monthly average of 16,762 individuals registered in the automated system. This reflects a 19 percent increase in the number of individuals seeking assistance finding jobs.

### ***Strategies:***

1. *Assist older and at-risk adults, individuals with disabilities, and youth aging out of foster care to live independently.*

DES provides a wide range of support for independent living. Arizona's Developmental Disabilities program is consistently ranked as one of the best in the nation for assisting people to reside in the least restrictive environment possible. In addition, 22 percent of children 17 or older and 50 percent of children 18 or older who have been removed from their homes live independently.

At the same time, unprecedented growth in the number of reports of elder abuse has strained the Adult Protective Services (APS) system. In fiscal year 2012 reports of elder abuse or exploitation increased 28 percent. As a result, the Department has requested funding for 31 additional investigators to allow DES to protect older Arizonans.

2. *Enhance child protection staffing and reduce caseloads to manageable levels for CPS staff to address child safety, and ensure permanency and well-being.*

The Department continues to engage in a comprehensive analysis and process improvement of the child welfare system. This process began by engaging the agency's best staff in streamlining the process for the investigation of allegations of child abuse and neglect. The new process improves child safety by removing redundancies, thereby allowing investigations to be completed more quickly. When all of the team's recommendations are implemented, the revamped process will reduce the time to complete and document the investigation from 178 to 203

days to 40 days and allow the Department to utilize approximately 200,000 hours of work more effectively each year.

Secondly, as recommended by the Arizona Child Safety Task Force, the Department is establishing a unit comprised of former law enforcement officers who will bring a law enforcement perspective for consultation and support to child abuse investigations.

Finally, while process improvement has increased efficiency, it cannot fully compensate for the dramatic growth in workload. For example, at the beginning of FY 2012, the average caseload for a child protective service worker was 62 percent above the Arizona caseload standard. It currently stands at 86 percent above the standard. As a result, the Department has requested an additional 200 staff. In addition, the Department has enhanced its recruiting, onboarding, and training for CPS specialists and supervisors to increase hiring and reduce turnover.

3. *Safely reduce both the number of children entering the foster care system and the number of children who remain in the foster care system by developing safe alternatives, including timely permanency.*

In the six month period ending March 2012, DES finalized a record number of 1,224 adoptions, a 14 percent increase over the prior six months. As a result, adoption subsidy payments, which help adoptive parents of special needs children afford the services they require, increased 10 percent in fiscal year 2012. For fiscal year 2014, the Department has requested funding to keep pace with the continued growth in adoption.

4. *Safely reduce the number of children in congregate care and place children in family-like settings (kinship care and family foster homes).*

The Department is engaged in many initiatives to increase the capacity of available family foster homes and place children in other family-like settings. In order to best utilize available resources to target areas where family foster homes are necessary and potentially available, the Department is implementing several strategies. Demographic data on current foster families has been utilized to analyze foster care recruitment success by demographic market segment. This analysis has identified the market segments most likely to become foster parents, allowing the Department and foster care agencies to target their outreach to those most likely to respond. Geographic information systems software is being used to combine foster home capacity data with child removal data to create maps illustrating where the need for foster homes is greatest. Additionally, the Department has dramatically expanded its partnership with faith and community-

based groups to recruit foster families. This has resulted in outreach and events sponsored by the Republic Media Group's *A Season for Sharing*, the Arizona Diamondbacks, the Rotary Club, and nearly two dozen churches and faith-based organizations across the state. To assist their efforts, the Department has engaged a private marketing company that has volunteered, on a pro bono basis, to develop recruiting materials for use by community-based groups. The Department is partnering with foster care agencies and applicants to identify and eliminate barriers to qualified applicants in the licensing process. For example, based on applicant feedback, a training course has been developed that, while providing the same training, allows applicants to complete the course in six weeks rather than ten weeks. Lastly, an expedited training program for families who wish to be relicensed after having left the foster care system has been created.

The Department is also working to increase foster family retention. Retention solutions include the creation of a toll-free Foster Parent support telephone line, development of "mentor families" to provide support to new foster families, and events to recognize current Foster Parents and recruit new families. Additionally, increased staffing to handle the workload will allow CPS to better support foster families by more frequently visiting children in foster care and reduce the number of families exiting the foster care system.

5. *Provide core safety net services to stabilize families as a first step toward enabling them to achieve maximum employability and self-sufficiency.*

The Department's Temporary Assistance for Needy Families (TANF) Cash Assistance program lifetime benefit limit has been reduced from 60 to 24 months in recent years. The program provides a minimal payment to families with children and, with a requirement that adult recipients participate in work-related activities; helps sustain families as they progress toward employability and self-sufficiency.

Another crucial element in helping families achieve self-sufficiency is the child care subsidy program, which helps cover the cost of child care to enable parents to work to provide for their families. The Department currently has a waiting list of almost 7,000 children who are unable to receive child care services as there are not sufficient resources to provide services to all those who qualify.

6. *Provide employment-related services and assistance supports to vulnerable populations, such as older adults, individuals with disabilities, refugees, economically disadvantaged youth and adults, veterans, and youth who have aged out of foster care.*

The Department partners with local entities to operate the Workforce Investment Act (WIA) program, funded through the federal WIA grant, which provides services to youth and adults, in addition to programs targeted toward dislocated workers, to help them become job-ready and to find employment. In addition, the Department operates the Employment Service program to assist individuals who are unemployed, underemployed, or seeking better employment opportunities.

Utilizing federal funding through the U.S. Department of Labor, the Department provides employment services to U.S. armed forces veterans. The veterans' programs that are available through DES are known as the Local Veterans' Employment Representatives and the Disabled Veterans Outreach Program.

The Department's Unemployment Insurance (UI) Program provides a measure of security through financial assistance to the individual worker when unemployment occurs. The UI Program pays benefits to individuals who become unemployed through no fault of their own. Benefits are funded through unemployment insurance taxes paid by employers which enable individuals to receive benefits while seeking other employment. The UI Program experienced a 308 percent increase in claimants between 2007 and 2010.

The Department operates employment and independent living programs to assist in removing barriers for seniors, refugees, and individuals with disabilities. In addition, the Department assists clients with developmental disabilities in obtaining employment when it is the most beneficial path for the client.

- 7. Reduce the number of families on Cash Assistance by increasing self-sufficiency through increased employment placements.*

The Department oversees the Jobs program, which assists current and former TANF Cash Assistance recipients in preparing to enter the workforce and in finding employment. Despite reductions in the number of eligible families receiving cash assistance, in fiscal year 2012, over 5,300 clients in the Department's Jobs program were placed in new employment positions, an increase from 4,600 in the prior year.

- 8. Make child support a reliable source of income for the families we serve.*

The Department has excelled in making child support collections a reliable source of income for custodial parents. DES has maintained the level of Title IV-D-related child support collections at \$360 million annually over the last three fiscal years while increasing program cost-effectiveness. The Department is working to make child support a reliable source of income to increase the self-sufficiency of Arizona families. To improve this work going forward, the Department is focusing on consistently securing monthly child support payments while the child is still a minor.

## **Issue 2: Collaboration with Community and Faith-Based Partners**

The Department believes that making Arizona stronger by ensuring the safety, well-being and self-sufficiency of children, adults, and families is the responsibility of all Arizonans. While DES and other public entities have important roles to play, individuals, communities, and faith-based organizations have equally important roles. As a result, in addition to providing the services that the Department administers, it is important that DES partner with individuals, communities, and organizations to leverage the full range of supports and assistance Arizona has to offer on behalf of the vulnerable and those in need.

### ***Strategies:***

1. *Work in partnership with Tribal Nations to strengthen individuals and families.*

The Department has a strong commitment to ongoing collaboration with Arizona Tribal Nations. The agency has intergovernmental agreements with many Arizona Tribal Nations to provide services to tribal members, including services for the aging, family support services, IT hosting and support services for child support, substance abuse treatment, and child care services. In addition, according to the amount appropriated each year by the Legislature, the Department provides funds for Temporary Assistance for Needy Families (TANF) maintenance of effort to tribes that operate their own TANF programs.

2. *Increase collaboration with community partners and stakeholders to provide core safety net services.*

The Department has a new initiative to identify community talent that can connect community resources to work in partnership with the Department to address customer needs. These Community Liaisons are experts in the need area being addressed and in creating community connections. One early example is connecting community resources in support of supervised visitation for Child Protective Service (CPS) cases. Community resources have adopted 27 rooms that provide an appropriate setting for regular supervised visitations between the child and parents. These visitations further the goal of successful family reunification.

DES has also joined with national and local entities to hold large-scale, one-day events that connect families in need with clothing, food, medical attention, and other resources. In August 2011, DES helped the Convoy of Hope serve over 10,000 people at 10 events in four counties. HopeFest Tucson, held in Kino Veterans Memorial Stadium on October 22, 2011, served approximately 18,000

people. HopeFest Phoenix, held at Chase Field on April 14, 2012 reached an estimated 15,000 people.

3. *Engage Faith-based Organizations as partners to promote the safety, well-being, and self-sufficiency of individuals and families.*

The ArizonaSERVES initiative, with the assistance of DES, is helping to connect more faith-based and nonprofit organizations to the needs of Arizona's most vulnerable citizens. Building on previous success, increased community effort is being applied to grow the capacity for foster and adopted care for children and also to support local child protective service staff with family reunification efforts.

4. *Work closely with the business community to identify opportunities for employing at-risk individuals.*

The Department continues to strengthen its relationship with the Arizona Commerce Authority and is working collaboratively to identify job opportunities for low-income Arizonans. This important work will provide the Commerce Authority with information regarding the unique employment needs of this vulnerable segment of the Arizona workforce.

In addition, the Department provides many employment services to both employees and employers, including recruitment, screening, and referral of qualified job applicants, as well as job fairs, workshops and seminars to assist employers in identifying work opportunities for individuals receiving Department services. Over the past year, the Department hosted or participated in 65 job fairs, including 15 'Hire Vets First' Job Fairs serving over 10,000 veterans, and 10 Yellow Ribbon events serving over 2,500 returning Arizona National Guard Service members.

### **Issue 3: Accountability, Transparency, and Funding**

The agency has been working aggressively to improve the accountability and transparency of its programs. As part of the Department's CPS improvement plan, DES began hosting presentations of the semi-annual report on child welfare to stakeholders and the media. In addition, beginning in fiscal year 2012, the Department established a new Office of Accountability, headed by a Chief Accountability Officer. This office reports to the Director and consolidates a number of accountability functions to monitor compliance with requirements at all levels of the Department; ensures that consumers obtain the benefits, goods and services they are eligible to receive; provides objective, reliable data and analysis to inform management decisions; and identifies opportunities for improvement and innovation, driving continual improvement of DES programs, functions and processes.

At the same time as the Department is moving forward with fundamental changes to the way services are delivered to clients, several funding issues stand as obstacles. Over the past eight years, the percentage and amount of the federal contribution to Arizona's human services programs has grown, with a large spike after the passage of the American Recovery and Reinvestment Act of 2009 (ARRA). As the additional funding from ARRA has expired, however, federal support for human services programs is returning to a more historic level. In order to maintain existing service levels, the state backfilled many of the declining federal funds with appropriations from the state General Fund in the budgets for fiscal years 2011 and 2012. In addition to those temporary changes to federal support, however, in recent years Congress has been exploring ways to reduce federal spending, and has been unable to pass a new federal budget. As a result, there is a significant risk of further reductions, and the need to backfill declining federal funding in order to maintain existing service levels will continue into fiscal year 2014.

One of the primary sources of declining federal support in the past two years has been the Temporary Assistance to Needy Families (TANF) program. From TANF's inception through fiscal year 2011, in addition to the base block grant, Arizona received supplemental TANF funds intended for states with growing populations. This population supplemental expired after 2011 however, and in the fiscal year 2013 state budget, a portion of the reduction was backfilled with a one-time, non-General Fund balance in other state funds. These funds were also appropriated to fund ongoing caseload growth in some programs in fiscal year 2013. The Department remains hopeful that the availability of other TANF-related federal funds will offset much of the need to backfill the one-time appropriation and lost population supplemental, and at this time anticipates a General Fund backfill need of about \$9.6 million in fiscal year 2014. There is a risk, of course, that not all of the federal funds currently anticipated to be available to the Department will materialize, which could increase the General Fund backfill need to as much as \$63 million.

In addition to the state funding need created by declining federal support, the populations eligible to be served by the Department's programs continue to grow as noted in Strategic Issue 1, caseloads in many programs, including ALTCS, Adult Protective Services, and in particular child welfare are rising and are straining the Department's ability to continue to provide services across the Department at current levels.

### ***Strategies:***

- 1. Create an Office of Accountability to ensure consistent compliance with all federal and state regulations and requirements and develop and implement best practices across the Department's programs.*

In fiscal year 2012, the Department created and staffed the Office of Accountability. This office has conducted a broad evaluation of all of the Department's programs and services and continues work on evaluating and



integrating synergies across the Department. This important work will allow the Department to understand and meet performance measures from our funding agencies and improve outcomes and services for consumers.

2. *Improve documentation and awareness of Department processes.*

The Department is working with consultants and stakeholders to ensure that its field processes are accurately documented, and is examining those processes to find improvements and efficiencies.

3. *Pursue funding to offset the loss of enhanced federal funds.*

In order to continue to provide existing services, the Department has requested approximately \$81 million from the state General Fund in fiscal year 2014 to fund the growth in caseloads as well as for the backfill of federal and one-time funds discussed above.

#### **Issue 4: Person-Centric Human Services**

The Department has a history of innovation and efficiency in the delivery of human services and must continue to find innovative ways to provide high quality services in a timely and cost-effective manner. The Department is ensuring that services continue while incorporating inventive and efficient business strategies to serve Arizona's most vulnerable populations.

On a corporate level, the Department is engaged in a transformation from the administration of an aggregation of siloed programs to becoming a person-centered engine for human well-being in Arizona. This person-centric approach provides the enabling conditions for persons to move through the service system and achieve maximum independence and self-sufficiency.

Also in support of the Department's transformation to a person-centric, integrated engine for human well-being, the Department has formed a new Transformation Core Team. This team of 50 members was selected from all levels, grades, and positions, and from every corner of the state. Team members serve voluntarily and activities are conducted in addition to regular responsibilities. This team applies diverse skills and experiences to communicate key issues and improve the Department's top-down communications methods for keeping DES staff informed about serving consumers in important transformative, person-centric ways. Examples of issues being addressed include reducing consumer's wait times, engaging staff in accountability, monitoring consumer's outcomes, and shifting focus from crisis to a strategic approach that spotlights customer service and quality assurance.

The Department is engaged in a historic collaboration with the Arizona Commerce Authority, the Arizona Department of Education, and the Local Workforce Investment System to develop a model to grow the capacity of DES consumers through the application of person-centric

principles in order to reduce dependency. This Demonstration Pilot Project will align the customer-focused work of DES with the Arizona Commerce Authority's Strategic Plan to create 75,000 jobs over a five-year period. The initiative will focus on a small number of DES consumers to determine what it takes to understand their full range of needs from a human service standpoint. Services of the partnering agencies will be coordinated to facilitate the transition of a small number of current consumers of Arizona's safety net programs into gainful employment. If successful, the Demonstration Pilot Project may inform a completely different operating construct not only for DES, but for all of our partners and collaborators in strengthening Arizona.

As the Department manages through a rapidly changing environment, including such factors as fewer federal dollars, the changing nature of the workforce, and changes in technology, and as it intensifies its focus on its transformation to a holistic organization that delivers services designed to build the capacity of customers to become their highest functioning selves, the Department is also working to strengthen its workforce. Given the challenges facing the workforce, the Department must provide resources and supports to the maximum extent possible to ensure that staff can continue working hard for the families and individuals DES serves.

### ***Strategies:***

1. *Lead a coordinated, integrated and comprehensive public and private effort to grow the capacity of socially and economically challenged Arizonans to achieve their highest functioning self and reduce dependency on public supports.*

As described previously, the Department is actively pursuing partnerships with other agencies and community organizations that have responsibility for the care and well-being of Arizonans. It is going to require collaboration at all levels of human service to ensure that the most vulnerable citizens in Arizona have every opportunity to achieve their highest functioning self.

2. *Create and implement comprehensive approaches to meet the needs of individuals and families seeking or receiving services by transforming the Department construct to a person-centric, integrated, and connected engine for human well-being.*

The Department is currently in the process of creating and rolling-out a Demonstration Project to show the increased efficiency and effectiveness—for both the utilization of state resources as well as for the people who utilize the Department's services—of an outcome-based, person-centric human services delivery system. This integrated approach of case coordination will allow the Department to test and implement best practices within the delivery of human services and inform the system on the best way to move individuals to a higher level of self-sufficiency as quickly and effectively as possible.

## RESOURCE ASSUMPTIONS SUMMARIES

### Agency Funding Total for All Funds

(Sum of Incremental Costs for Addressing Goals and the Base for Each Year)

	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
FTE	8,968.0	9,297.6	9,344.0	9,391.0	9,438.0	9,485.0
General Funds	612,296.2	697,425.9	732,300.0	768,900.0	807,300.0	847,700.0
Other Appropriated Funds	507,362.7	499,362.9	524,300.0	550,500.0	578,000.0	606,900.0
Other Non-Appropriated Funds	855,796.1	736,503.1	773,300.0	812,000.0	852,600.0	895,200.0
Federal Non-Appropriated Funds	3,007,186.8	2,934,766.7	3,008,100.0	3,083,300.0	3,160,400.0	3,239,400.0
<b>Aggregate Agency Level Total</b>	<b>4,982,641.8</b>	<b>4,868,058.6</b>	<b>5,038,000.0</b>	<b>5,214,700.0</b>	<b>5,398,300.0</b>	<b>5,589,200.0</b>

Funding Amounts in Thousands

## Agency Summary

### DEPARTMENT OF ECONOMIC SECURITY

Clarence H. Carter, Director  
 Phone: (602) 542-5678  
 A.R.S. § 41-1954

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
➤ ADMINISTRATION	163,294.2	168,477.3	174,005.6
➤ DEVELOPMENTAL DISABILITIES	863,531.6	1,008,497.3	1,065,200.9
➤ BENEFITS AND MEDICAL ELIGIBILITY	1,960,372.6	2,034,929.4	2,034,935.3
➤ CHILD SUPPORT ENFORCEMENT	46,741.7	59,587.3	59,587.3
➤ AGING AND COMMUNITY SERVICES	133,540.8	131,664.8	134,188.7
➤ CHILDREN, YOUTH AND FAMILIES	496,888.9	567,995.4	639,901.0
➤ EMPLOYMENT AND REHABILITATION SERVICES	1,434,077.3	1,011,490.3	760,239.9
<b>Agency Total:</b>	<b>5,098,447.1</b>	<b>4,982,641.8</b>	<b>4,868,058.7</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	576,747.5	612,296.2	697,425.9
Other Appropriated Funds	429,989.6	507,362.7	499,362.9
Other Non Appropriated Funds	4,091,710.0	3,862,982.9	3,671,269.9
<b>Total Funding</b>	<b>5,098,447.1</b>	<b>4,982,641.8</b>	<b>4,868,058.7</b>
<b>FTE Positions</b>	<b>9,227.3</b>	<b>9,207.9</b>	<b>9,537.5</b>

**Program Summary**

ADMINISTRATION

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954

**This Program Contains the following Subprograms:**

- ▶ Central Administration
- ▶ Attorney General Legal Services
- ▶ Governor's Advisory Council on Aging
- ▶ Governor's Council on Developmental Disabilities
- ▶ Arizona Early Intervention Program

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	69,513.1	76,235.9	80,710.6
Other Appropriated Funds	7,289.3	10,068.0	11,684.6
Other Non Appropriated Funds	86,491.8	82,173.4	81,610.4
<b>Total Funding</b>	<b>163,294.2</b>	<b>168,477.3</b>	<b>174,005.6</b>
<b>FTE Positions</b>	<b>1,498.2</b>	<b>1,448.7</b>	<b>1,505.9</b>

**Subprogram Summary**

CENTRAL ADMINISTRATION

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 PL 108-446

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	56,848.5	60,679.2	61,454.0
Other Appropriated Funds	4,900.3	7,400.7	9,017.3
Other Non Appropriated Funds	61,100.8	59,783.6	58,408.5
<b>Total Funding</b>	<b>122,849.6</b>	<b>127,863.5</b>	<b>128,879.8</b>
<b>FTE Positions</b>	<b>1,103.7</b>	<b>1,054.2</b>	<b>1,062.4</b>

◆ **Goal 1** To improve the quality and efficiency of services delivered to customers.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Agencywide customer satisfaction rating (scale 1-5)	4.00	4.00	3.7	3.9	3.9
Total Office of Accounts Receivable and Collections cost per dollar to administer, bill, and collect debts	0.06	0.06	0.05	0.06	0.06
DES percentage below Phoenix Market Rate per square foot	15.3	15.3	12.3	12.4	12.4
<b>Explanation:</b> % below/(above) comparable market rate					
Percent of OLCR licenses to foster homes without a complaint	97.8	98.0	97.4	97.3	97.3

**Subprogram Summary**

ATTORNEY GENERAL LEGAL SERVICES

Michael Wisehart, Chief Financial Officer  
Phone: (602) 542-3786  
A.R.S. § 41-191

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	12,604.5	12,177.6	15,877.5
Other Appropriated Funds	2,389.0	2,667.3	2,667.3
Other Non Appropriated Funds	12,636.7	12,673.2	13,485.3
<b>Total Funding</b>	<b>27,630.2</b>	<b>27,518.1</b>	<b>32,030.1</b>
<b>FTE Positions</b>	<b>380.5</b>	<b>380.5</b>	<b>429.5</b>

**Subprogram Summary**

GOVERNOR'S ADVISORY COUNCIL ON AGING

Michael Wisehart, Chief Financial Officer  
Phone: (602) 542-3786  
A.R.S. § 46-183

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	60.1	60.1	60.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	191.3	201.7	201.7
<b>Total Funding</b>	<b>251.4</b>	<b>261.8</b>	<b>261.8</b>
<b>FTE Positions</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

**Subprogram Summary**

GOVERNOR'S COUNCIL ON DEVELOPMENTAL DISABILITIES

Michael Wisehart, Chief Financial Officer  
Phone: (602) 542-3786  
A.R.S. § 41-2451

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	1,248.9	1,273.9	1,273.9
<b>Total Funding</b>	<b>1,248.9</b>	<b>1,273.9</b>	<b>1,273.9</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

**Subprogram Summary**

ARIZONA EARLY INTERVENTION PROGRAM

Michael Wisheart, Chief Financial Officer  
 Phone: (602) 542-3786  
 PL 108-446

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	3,319.0	3,319.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	11,314.1	8,241.0	8,241.0
<b>Total Funding</b>	<b>11,314.1</b>	<b>11,560.0</b>	<b>11,560.0</b>
<b>FTE Positions</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>

◆ **Goal 1** To provide early intervention services for children birth to age 3 who have developmental delays.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Default performance measure	5,572	0	5,358	5,400	5,400

**Program Summary**

DEVELOPMENTAL DISABILITIES

Michael Wisehart, Chief Financial Officer  
Phone: (602) 542-3786  
A.R.S. § 36-554

**This Program Contains the following Subprograms:**

- ▶ Developmental Disabilities Operations
- ▶ Case Management - Title XIX
- ▶ Case Management - State Only
- ▶ Home and Community Based Services - Title XIX
- ▶ Home and Community Based Services - State Only
- ▶ Institutional Services - Title XIX
- ▶ Medical Services
- ▶ ATP-Coolidge - Title XIX
- ▶ State-Funded Long Term Care
- ▶ Medicare Clawback Payments

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	308,810.5	310,029.8	329,263.6
Other Appropriated Funds	30,522.2	55,837.8	55,837.8
Other Non Appropriated Funds	524,198.9	642,629.7	680,099.5
<b>Total Funding</b>	<b>863,531.6</b>	<b>1,008,497.3</b>	<b>1,065,200.9</b>
<b>FTE Positions</b>	<b>1,772.3</b>	<b>1,772.3</b>	<b>1,810.7</b>

**Subprogram Summary**

DEVELOPMENTAL DISABILITIES OPERATIONS

Michael Wisehart, Chief Financial Officer  
Phone: (602) 542-3786  
A.R.S. § 36-554

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	15,105.6	14,087.6	14,087.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	25,885.1	23,720.0	23,720.0
<b>Total Funding</b>	<b>40,990.7</b>	<b>37,807.6</b>	<b>37,807.6</b>
<b>FTE Positions</b>	<b>294.3</b>	<b>294.3</b>	<b>294.3</b>

**Subprogram Summary**

CASE MANAGEMENT - TITLE XIX

Michael Wisehart, Chief Financial Officer  
Phone: (602) 542-3786  
A.R.S. § 36-554



<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	11,482.7	11,071.9	11,262.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	30,454.4	27,000.0	27,370.6
<b>Total Funding</b>	<b>41,937.1</b>	<b>38,071.9</b>	<b>38,632.6</b>
<b>FTE Positions</b>	<b>755.5</b>	<b>755.5</b>	<b>755.5</b>

◆ **Goal 1** To provide quality case management services for all eligible consumers.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of consumer satisfaction with case management services (Title XIX only)	98.7	98.0	97.8	98.0	98.0
Average number of consumers with developmental disabilities served	23,236	24,260	24,201	25,290	26,428

**Subprogram Summary**

CASE MANAGEMENT - STATE ONLY

Michael Wisheart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 36-554

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	3,989.4	3,846.0	3,846.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	4,841.5	5,059.2	5,059.2
<b>Total Funding</b>	<b>8,830.9</b>	<b>8,905.2</b>	<b>8,905.2</b>
<b>FTE Positions</b>	<b>79.3</b>	<b>79.3</b>	<b>79.3</b>

◆ **Goal 1** To promote quality case management services for all eligible consumers.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Average number of consumers with developmental disabilities served	7,790	7,800	7,709	7,700	7,700

**Subprogram Summary**

HOME AND COMMUNITY BASED SERVICES - TITLE XIX

Michael Wisheart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 36-552

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	214,225.3	229,543.0	247,795.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	354,425.5	460,653.7	496,212.4
<b>Total Funding</b>	<b>568,650.8</b>	<b>690,196.7</b>	<b>744,008.2</b>
<b>FTE Positions</b>	<b>94.5</b>	<b>94.5</b>	<b>132.9</b>

- ◆ **Goal 1** To provide home- and community-based services that support the majority of consumers in their family or own home or in a community-based setting.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of child and adult consumers with a developmental disability that live with their family or in their own home or in a community-based setting.	88.6	88.0	94.5	94.0	94.0

- ◆ **Goal 2** To provide consumer, family, and caregiver satisfaction with home- and community-based services and supports.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of relatives and caregivers of consumers stating the services received meet the consumer's needs	98.7	98.0	98.1	98.0	98.0
Percent of relatives and caregivers satisfied with the providers of services received.	98.7	98.0	97.3	98.0	98.0

- ◆ **Goal 3** To increase consumers' economic prosperity and self-sufficiency by placing adult consumers in community employment opportunities.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percentage of eligible adult consumers placed in community employment	18.2	18.0	18.3	18.0	18.0

**Subprogram Summary**

HOME AND COMMUNITY BASED SERVICES - STATE ONLY

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 36-552

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
General Funds	12,604.2	2,835.0	2,835.0
Other Appropriated Funds	3,990.3	26,461.3	26,461.3
Other Non Appropriated Funds	752.2	971.0	971.0
<b>Total Funding</b>	<b>17,346.7</b>	<b>30,267.3</b>	<b>30,267.3</b>
<b>FTE Positions</b>	<b>53.6</b>	<b>53.6</b>	<b>53.6</b>

- ◆ **Goal 1** To provide home- and community-based services that support the majority of consumers in their family or own home or in a community-based setting.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percentage of child and adult consumers with a developmental disability who live with their family or in their own home or in a community-based setting	99.0	99.0	99.0	99.0	99.0

**Subprogram Summary**

INSTITUTIONAL SERVICES - TITLE XIX

Michael Wisehart, Chief Financial Officer  
Phone: (602) 542-3786  
A.R.S. § 36-552

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	5,405.6	5,364.2	5,460.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	14,330.8	13,969.9	14,158.0
<b>Total Funding</b>	<b>19,736.4</b>	<b>19,334.1</b>	<b>19,618.9</b>
<b>FTE Positions</b>	<b>74.0</b>	<b>74.0</b>	<b>74.0</b>

◆ **Goal 1** To reduce or maintain the number of people placed in institutional settings.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of consumers in ICF/MRs and skilled nursing facilities (*point in time 6/30)	185	185	221	225	225

**Subprogram Summary**

MEDICAL SERVICES

Michael Wisehart, Chief Financial Officer  
Phone: (602) 542-3786  
A.R.S. § 36-2939

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	38,593.8	38,557.9	39,252.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	81,741.4	100,378.6	101,731.0
<b>Total Funding</b>	<b>120,335.2</b>	<b>138,936.5</b>	<b>140,983.1</b>
<b>FTE Positions</b>	<b>35.4</b>	<b>35.4</b>	<b>35.4</b>

◆ **Goal 1** To provide cost effective, quality health care.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of consumers receiving acute care services through the Division of Developmental Disabilities	23,692	24,840	24,632	25,666	25,666

**Subprogram Summary**

ATP-COOLIDGE - TITLE XIX

Michael Wisehart, Chief Financial Officer  
Phone: (602) 542-3786  
A.R.S. § 36-2939

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	4,907.0	4,724.2	4,724.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	11,768.0	10,877.3	10,877.3
<b>Total Funding</b>	<b>16,675.0</b>	<b>15,601.5</b>	<b>15,601.5</b>
<b>FTE Positions</b>	<b>383.7</b>	<b>383.7</b>	<b>383.7</b>

◆ **Goal 1** To provide quality residential services in the Arizona Training Program at Coolidge.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Total number of consumers living at Arizona Training Program at Coolidge	111	111	108	108	108

**Subprogram Summary**

STATE-FUNDED LONG TERM CARE

Michael Wisheart, Chief Financial Officer  
 Phone: (602) 542-3786  
 Laws 2007, Chapter 255, Section 28

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	26,531.9	26,528.1	26,528.1
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>26,531.9</b>	<b>26,528.1</b>	<b>26,528.1</b>
<b>FTE Positions</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

◆ **Goal 1** To provide state funded services to Long Term Care-eligible consumers.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of Long Term Care-eligible consumers that receive state-funded room and board to live in community-based homes	3,685	3,860	3,942	4,021	4,021

**Subprogram Summary**

MEDICARE CLAWBACK PAYMENTS

Michael Wisheart, Chief Financial Officer  
 Phone: (602) 542-3786  
 Laws 2007, Chapter 255, Section 28

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	2,496.9	0.0	0.0
Other Appropriated Funds	0.0	2,848.4	2,848.4
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>2,496.9</b>	<b>2,848.4</b>	<b>2,848.4</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Program Summary**

**BENEFITS AND MEDICAL ELIGIBILITY**

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954

**This Program Contains the following Subprograms:**

- ▶ Benefits and Medical Eligibility Operations
- ▶ Disability Determination Services Administration
- ▶ TANF Cash Benefits
- ▶ Tribal Pass-Through Funding
- ▶ Food Stamps Benefits
- ▶ Child Passenger Restraint

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	38,300.9	35,130.7	35,184.3
Other Appropriated Funds	59,824.4	53,633.8	53,586.1
Other Non Appropriated Funds	1,862,247.3	1,946,164.9	1,946,164.9
<b>Total Funding</b>	<b>1,960,372.6</b>	<b>2,034,929.4</b>	<b>2,034,935.3</b>
<b>FTE Positions</b>	<b>1,048.8</b>	<b>1,048.8</b>	<b>1,048.8</b>

**Subprogram Summary**

**BENEFITS AND MEDICAL ELIGIBILITY OPERATIONS**

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	33,694.0	30,450.4	30,450.4
Other Appropriated Funds	8,240.9	8,634.4	8,634.4
Other Non Appropriated Funds	115,314.6	115,315.2	115,315.2
<b>Total Funding</b>	<b>157,249.5</b>	<b>154,400.0</b>	<b>154,400.0</b>
<b>FTE Positions</b>	<b>756.8</b>	<b>756.8</b>	<b>756.8</b>

◆ **Goal 1** To improve customer service and accessibility.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of recipients per month receiving medical assistance for which DES determines eligibility	1,205,683	1,205,700	1,154,115	1,102,547	1,500,000
Percent of clients satisfied with services	83.8	84.0	84.0	84.0	84.0

**Subprogram Summary**

DISABILITY DETERMINATION SERVICES ADMINISTRATION

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954; 46-251

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	36,479.3	35,484.2	35,484.2
<b>Total Funding</b>	<b>36,479.3</b>	<b>35,484.2</b>	<b>35,484.2</b>
<b>FTE Positions</b>	<b>292.0</b>	<b>292.0</b>	<b>292.0</b>

◆ **Goal 1** To improve Disability Determination Services Administration performance.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of correct cases	92.5	94.5	97.0	96.0	97.0
Average Social Security Disability Insurance initial case processing time (days)	105.4	100.0	127.0	110.0	105.0
Average Supplemental Security Income initial case processing time (days)	105.4	104.0	127.0	110.0	105.0

**Subprogram Summary**

TANF CASH BENEFITS

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954; 46-291

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	51,583.5	44,999.4	44,951.7
Other Non Appropriated Funds	581.6	0.0	0.0
<b>Total Funding</b>	<b>52,165.1</b>	<b>44,999.4</b>	<b>44,951.7</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To increase the Family Assistance Administration's efficiency and accountability.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Average number of TANF Cash Assistance recipients	44,842	35,100	39,194	39,763	40,120
Percent of TANF Cash Assistance issued timely	91.2	95.0	96.9	97.0	97.0
Total number of TANF Cash Assistance applicants diverted from long-term cash assistance with diversion grants	22,216	22,000	16,599	7,200	7,200

**Subprogram Summary**

TRIBAL PASS-THROUGH FUNDING

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 46-134

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	4,606.9	4,680.3	4,733.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,606.9</b>	<b>4,680.3</b>	<b>4,733.9</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To provide financial assistance to tribes who operate their own TANF program.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Monthly average of individuals receiving Cash Assistance benefits through a Tribal Cash Assistance program.	2,598	2,600	2,212	2,547	2,483

**Subprogram Summary**

FOOD STAMPS BENEFITS

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	1,709,716.9	1,795,200.0	1,795,200.0
<b>Total Funding</b>	<b>1,709,716.9</b>	<b>1,795,200.0</b>	<b>1,795,200.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To increase the Family Assistance Administration's efficiency and accountability.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of total nutrition assistance payments issued accurately	93.7	95.0	94.6	95.0	95.0
Average monthly number of supplemental nutrition assistance recipients	1,049,272	1,084,500	1,123,068	1,158,306	1,194,650
Percent of total nutrition assistance payments issued timely	88.6	94.0	93.9	94.0	94.0

**Subprogram Summary**

CHILD PASSENGER RESTRAINT

Michael Wisheart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 28-907

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	154.9	165.5	165.5
<b>Total Funding</b>	<b>154.9</b>	<b>165.5</b>	<b>165.5</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To disburse the Child Passenger Restraint Fund monies on purchasing and distributing child restraint seats.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Car seats purchased and distributed	2,163	2,200	3,452	3,200	3,200



**Program Summary**

CHILD SUPPORT ENFORCEMENT

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954; Laws 1994, Ch 374

**This Program Contains the following Subprograms:**

- ▶ Child Support Enforcement Operations
- ▶ County Participation

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	7,682.9	11,514.4	11,514.4
Other Appropriated Funds	9,707.9	14,263.9	14,263.9
Other Non Appropriated Funds	29,350.9	33,809.0	33,809.0
<b>Total Funding</b>	<b>46,741.7</b>	<b>59,587.3</b>	<b>59,587.3</b>
<b>FTE Positions</b>	<b>680.5</b>	<b>623.0</b>	<b>623.0</b>

**Subprogram Summary**

CHILD SUPPORT ENFORCEMENT OPERATIONS

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954; Laws 1994, Ch 374

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	7,682.9	11,514.4	11,514.4
Other Appropriated Funds	9,245.4	12,924.8	12,924.8
Other Non Appropriated Funds	23,364.0	26,547.9	26,547.9
<b>Total Funding</b>	<b>40,292.3</b>	<b>50,987.1</b>	<b>50,987.1</b>
<b>FTE Positions</b>	<b>680.5</b>	<b>623.0</b>	<b>623.0</b>

- ◆ **Goal 1** To increase IV-D cases and collections, including the number of court ordered cases and compliance with court orders.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
IV-D dollars collected for each IV-D dollar expended (cost-effectiveness ratio)	6.23	5.00	5.61	5.00	5.00
Ratio of court ordered cases (in percent)	85.38	85.0	83.74	84.47	85.20
Ratio of current IV-D child support collected and distributed to current IV-D support due	51.11	53.99	52.34	53.21	54.08
Number of IV-D cases	199,811	199,800	194,877	194,900	194,900
Total amount of IV-D support collections (millions)	359.3	360.0	361.8	360.0	360.0

**Subprogram Summary**

COUNTY PARTICIPATION

Michael Wishart, Chief Financial Officer  
Phone: (602) 542-3786  
A.R.S. § 41-1954; Laws 1994, Ch 374

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	462.5	1,339.1	1,339.1
Other Non Appropriated Funds	5,986.9	7,261.1	7,261.1
<b>Total Funding</b>	<b>6,449.4</b>	<b>8,600.2</b>	<b>8,600.2</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Program Summary**

AGING AND COMMUNITY SERVICES

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954

**This Program Contains the following Subprograms:**

- ▶ Aging and Community Services Operations
- ▶ Adult Services
- ▶ Community and Emergency Services
- ▶ Coordinated Hunger
- ▶ Coordinated Homeless
- ▶ Domestic Violence Prevention
- ▶ Refugee Resettlement Program

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	16,237.2	17,578.2	20,102.1
Other Appropriated Funds	13,855.4	14,964.7	14,964.7
Other Non Appropriated Funds	103,448.2	99,121.9	99,121.9
<b>Total Funding</b>	<b>133,540.8</b>	<b>131,664.8</b>	<b>134,188.7</b>
<b>FTE Positions</b>	<b>253.2</b>	<b>253.2</b>	<b>287.2</b>

**Subprogram Summary**

AGING AND COMMUNITY SERVICES OPERATIONS

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	4,318.1	5,243.4	7,767.3
Other Appropriated Funds	201.2	250.5	250.5
Other Non Appropriated Funds	6,431.5	5,814.4	5,814.4
<b>Total Funding</b>	<b>10,950.8</b>	<b>11,308.3</b>	<b>13,832.2</b>
<b>FTE Positions</b>	<b>241.2</b>	<b>241.2</b>	<b>275.2</b>

◆ **Goal 1** To improve the Adult Protective Services investigation process.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Adult Protective Services investigation percentage rate	100	100	100	100	100

**Subprogram Summary**

ADULT SERVICES

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954; 46-191

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	6,653.2	6,924.1	6,924.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	40,591.5	40,794.5	40,794.5
<b>Total Funding</b>	<b>47,244.7</b>	<b>47,718.6</b>	<b>47,718.6</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To provide Arizona's aging population with services to promote independence and autonomy

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Number of clients served	371,442	366,200	373,460	373,000	373,000

**Subprogram Summary**

COMMUNITY AND EMERGENCY SERVICES

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954; 46-241; PL 97-35; Title VI

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3,279.2	3,724.0	3,724.0
Other Non Appropriated Funds	35,684.6	30,527.7	30,527.7
<b>Total Funding</b>	<b>38,963.8</b>	<b>34,251.7</b>	<b>34,251.7</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To ensure the provision of emergency and utility assistance services to low-income households throughout the State of Arizona.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Number of households receiving financial assistance in paying rent and mortgage to prevent eviction	2,337	1,800	2,016	2,000	2,000
Number of households receiving financial assistance for paying home energy bills	48,472	49,600	54,151	54,000	54,000

**Subprogram Summary**

COORDINATED HUNGER

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954; 41-1981; PL 97-35; Title VI

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	1,142.9	1,254.6	1,254.6
Other Appropriated Funds	447.2	500.0	500.0
Other Non Appropriated Funds	2,707.7	2,707.7	2,707.7
<b>Total Funding</b>	<b>4,297.8</b>	<b>4,462.3</b>	<b>4,462.3</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To more effectively distribute food resources among counties in Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Total pounds of food distributed by Department contracted food banks from all food sources (millions of pounds)	136.7	137.0	121.4	121.0	121.0

**Subprogram Summary**

COORDINATED HOMELESS

Michael Wisheart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954; PL 100-77; PL 100-628

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	870.9	873.1	873.1
Other Appropriated Funds	1,459.4	1,649.5	1,649.5
Other Non Appropriated Funds	3,247.4	3,854.6	3,854.6
<b>Total Funding</b>	<b>5,577.7</b>	<b>6,377.2</b>	<b>6,377.2</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To develop and fund needed services for homeless individuals and families through a variety of strategies.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Individuals receiving emergency shelter	14,724	15,800	13,136	13,000	13,000
Individuals receiving transitional housing	2,149	2,100	2,015	2,000	2,000

**Subprogram Summary**

DOMESTIC VIOLENCE PREVENTION

Michael Wisheart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 36-3001

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	3,252.1	3,283.0	3,283.0
Other Appropriated Funds	8,468.4	8,840.7	8,840.7
Other Non Appropriated Funds	801.2	809.2	809.2
<b>Total Funding</b>	<b>12,521.7</b>	<b>12,932.9</b>	<b>12,932.9</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To assist the community in meeting the needs of victims of domestic violence and their children.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of women and children sheltered in emergency shelters	9,804	9,800	9,563	9,600	9,600
Number of unduplicated women and children sheltered in transitional housing	580	600	475	500	500

**Subprogram Summary**

REFUGEE RESETTLEMENT PROGRAM

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 PL 96-212

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	13,984.3	14,613.8	14,613.8
<b>Total Funding</b>	<b>13,984.3</b>	<b>14,613.8</b>	<b>14,613.8</b>
<b>FTE Positions</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>

◆ **Goal 1** To promote refugee social and economic self-sufficiency and well-being.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of refugees obtaining employment	1,426	1,400	987	1,000	1,000

**Program Summary**

CHILDREN, YOUTH AND FAMILIES

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954; 8-800

**This Program Contains the following Subprograms:**

- ▶ Children, Youth and Families Operations
- ▶ Children Support Services
- ▶ Foster Care Placement
- ▶ Permanent Guardianship Subsidy
- ▶ Adoption Services
- ▶ Independent Living Maintenance
- ▶ CPS Emergency and Residential Placement

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	127,741.6	151,723.5	210,620.8
Other Appropriated Funds	126,429.6	151,286.2	141,669.8
Other Non Appropriated Funds	242,717.7	264,985.7	287,610.4
<b>Total Funding</b>	<b>496,888.9</b>	<b>567,995.4</b>	<b>639,901.0</b>
<b>FTE Positions</b>	<b>1,987.3</b>	<b>2,074.9</b>	<b>2,274.9</b>

**Subprogram Summary**

CHILDREN, YOUTH AND FAMILIES OPERATIONS

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954; 8-800

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	44,797.9	49,127.2	59,629.0
Other Appropriated Funds	43,047.9	52,894.0	52,894.0
Other Non Appropriated Funds	42,724.1	45,511.5	47,816.8
<b>Total Funding</b>	<b>130,569.9</b>	<b>147,532.7</b>	<b>160,339.8</b>
<b>FTE Positions</b>	<b>1,986.3</b>	<b>2,073.9</b>	<b>2,273.9</b>

- ◆ **Goal 1** To provide quality leadership and training opportunities to enhance the delivery of quality services and promote accountability.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of newly hired Child Protective Services (CPS) Specialists completing training within seven months of hire	100.0	100.0	100.0	100.0	100.0
Percent of CPS complaints reviewed by the Office of the Citizens Aide where allegations are reported as valid by the Ombudsman	3.4	3.4	1.4	1.8	1.8
Number of CPS reports received	34,896	34,900	40,531	44,605	48,950

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Child protective services response rate (percent)	100.0	100.0	95.5	100.0	100.0
Percent of child protective service reports that are substantiated	13.0	13.0	8.6	8.6	8.6
Percent of CPS original dependency cases where the court denied or dismissed the dependency	0.1	0.1	0.3	0.1	0.1

◆ **Goal 2** To provide quality leadership and training opportunities to enhance the delivery of quality services to promote accountability.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of Office of Administrative Hearings (OAH) where CPS case findings are affirmed	91.0	91.0	84.0	87.0	87.0

<b>Subprogram Summary</b>					
CHILDREN SUPPORT SERVICES					
Michael Wisheart, Chief Financial Officer					
Phone: (602) 542-3786					
A.R.S. § 8-802; 8-701; 8-521					

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	5,556.1	22,314.8	25,033.3
Other Appropriated Funds	52,301.0	46,552.8	43,834.3
Other Non Appropriated Funds	69,146.0	54,133.7	54,133.7
<b>Total Funding</b>	<b>127,003.1</b>	<b>123,001.3</b>	<b>123,001.3</b>
<b>FTE Positions</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of families receiving in-home services (*point in time 6/30/12)	5,623*	5,600	5,844	5,800	5,800
Number of children receiving services through Healthy Families	1,570	1,570	3,447	3,550	3,550

◆ **Goal 2** To promote recovery from alcohol and drug abuse for Arizona Families F.I.R.S.T. program participants.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of CPS clients referred for substance abuse treatment services	4,953	5,000	6,154	6,200	6,200

◆ **Goal 3** To provide medical and dental care for children in foster care.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Average number of children enrolled in Comprehensive Medical and Dental Program	10,754	10,800	11,848	13,033	13,033



**Subprogram Summary**

FOSTER CARE PLACEMENT

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 8-514

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	23,445.2	20,018.2	54,558.8
Other Appropriated Funds	16,935.3	23,396.1	23,396.1
Other Non Appropriated Funds	46,323.0	75,148.9	91,056.8
<b>Total Funding</b>	<b>86,703.5</b>	<b>118,563.2</b>	<b>169,011.7</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To promote permanent placements for children who enter out-of-home care.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of children in out-of-home care (*point in time 6/30/2012)	10,998*	11,000	13,385	14,600	16,000
Percent change in number of children in out-of-home care (*point in time 6/30/2012)	2.5*	0.0	22.6	9	9

◆ **Goal 2** To enhance children's health and development by providing stable and nurturing environments.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of children remaining in shelter more than 21 days	63	63	736	730	730
Average number of days spent in shelter care for those children in shelter care 21 days or longer	433	433	95	90	90
Number of children under 3 in shelter care as of June 30	24	24	36	40	40
Number of children under 6 in group homes as of June 30	14	14	66	55	55

**Subprogram Summary**

PERMANENT GUARDIANSHIP SUBSIDY

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 8-814

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	7,019.4	9,472.3	9,472.3
Other Appropriated Funds	4,343.0	1,743.0	1,743.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>11,362.4</b>	<b>11,215.3</b>	<b>11,215.3</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To increase permanency for children who have been adjudicated dependent by providing a monetary subsidy to persons appointed as permanent guardians.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Average number of children receiving subsidized guardianship payments	2,431	2,500	2,444	2,500	2,500

**Subprogram Summary**

ADOPTION SERVICES

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 8-141 - 8-173

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	45,251.4	48,071.7	59,208.1
Other Appropriated Funds	9,802.4	26,700.3	19,802.4
Other Non Appropriated Funds	84,504.8	90,191.6	94,603.1
<b>Total Funding</b>	<b>139,558.6</b>	<b>164,963.6</b>	<b>173,613.6</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To promote placements in permanent adoptive homes.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of children with finalized adoptions	1,972	1,972	2,224	2,200	2,200
Percent of adoptions within 24 months	45.8*	46.0	51.6	52.0	52.0

**Subprogram Summary**

INDEPENDENT LIVING MAINTENANCE

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 8-802, 8-521

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	1,671.6	2,719.3	2,719.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	19.8	0.0	0.0
<b>Total Funding</b>	<b>1,691.4</b>	<b>2,719.3</b>	<b>2,719.3</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To assist young adults to achieve self-sufficiency.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of Young Adult Independent Living Subsidy participants	301	300	303	300	300

**Subprogram Summary**

CPS EMERGENCY AND RESIDENTIAL PLACEMENT

Michael Wisehart, Chief Financial Officer

Phone: (602) 542-3876

A.R.S. § 8-514

**Program Summary**

EMPLOYMENT AND REHABILITATION SERVICES

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. §§ 41-1967; 41-1954; 46-801; 46-136

**This Program Contains the following Subprograms:**

- ▶ Employment and Rehabilitation Services Operations
- ▶ JOBS
- ▶ Day Care Subsidy
- ▶ Independent Living Rehabilitation Services
- ▶ Workforce Investment Act Services
- ▶ Rehabilitation Services
- ▶ Arizona Industries for the Blind
- ▶ Unemployment Insurance
- ▶ Employment Services

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	8,461.3	10,083.7	10,030.1
Other Appropriated Funds	182,360.8	207,308.3	207,356.0
Other Non Appropriated Funds	1,243,255.2	794,098.3	542,853.8
<b>Total Funding</b>	<b>1,434,077.3</b>	<b>1,011,490.3</b>	<b>760,239.9</b>
<b>FTE Positions</b>	<b>1,987.0</b>	<b>1,987.0</b>	<b>1,987.0</b>

**Subprogram Summary**

EMPLOYMENT AND REHABILITATION SERVICES OPERATIONS

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. §§ 41-1967; 41-1954; 46-801; 46-136

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	5,900.9	6,023.3	6,023.3
Other Appropriated Funds	15,667.9	20,223.4	20,223.4
Other Non Appropriated Funds	87,035.9	75,756.4	75,756.4
<b>Total Funding</b>	<b>108,604.7</b>	<b>102,003.1</b>	<b>102,003.1</b>
<b>FTE Positions</b>	<b>1,894.0</b>	<b>1,894.0</b>	<b>1,894.0</b>

**Subprogram Summary**

JOBS

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1954; 46-136

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	100.0	300.0	246.4
Other Appropriated Funds	12,138.9	12,705.6	12,753.3
Other Non Appropriated Funds	117.0	300.0	300.0
<b>Total Funding</b>	<b>12,355.9</b>	<b>13,305.6</b>	<b>13,299.7</b>
<b>FTE Positions</b>	<b>93.0</b>	<b>93.0</b>	<b>93.0</b>

◆ **Goal 1** To increase the number of Jobs Cash Assistance recipients who obtain employment.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of Cash Assistance employment placements	4,647	4,600	8,061	8,000	8,000

**Subprogram Summary**

DAY CARE SUBSIDY

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. §§ 41-1967; 46-801

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	110,878.3	121,396.6	121,396.6
Other Non Appropriated Funds	3,784.3	6,163.4	6,163.4
<b>Total Funding</b>	<b>114,662.6</b>	<b>127,560.0</b>	<b>127,560.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To increase the availability, supply, and quality of child care providers to support the needs of children and families.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of customer satisfaction with child care	88.7	89.0	90.2	89.0	89.0
Number of children whose families are assisted by Child Care Resource and Referral	42,693	40,711	41,436	40,218	39,036
Average number of children in Day Care Subsidy program per month	29,554	29,600	27,774	25,687	26,560

**Explanation:** \*Includes Transitional Child Care population

**Subprogram Summary**

INDEPENDENT LIVING REHABILITATION SERVICES

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 (SLI) PL 93-112

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	166.0	166.0
Other Appropriated Funds	0.0	1,123.4	1,123.4
Other Non Appropriated Funds	0.0	3,315.1	3,315.1
<b>Total Funding</b>	<b>0.0</b>	<b>4,604.5</b>	<b>4,604.5</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To improve the ability of individuals to make decisions leading to self-determination and to live independently

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of individuals receiving services in order to achieve or maintain their independence	930	0	1,161	1,200	1,200

**Subprogram Summary**

WORKFORCE INVESTMENT ACT SERVICES

Michael Wisheart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. §§ 41-1954; PL 105-220

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	42,452.7	51,654.6	51,654.6
Other Non Appropriated Funds	3,214.3	2,910.5	2,910.5
<b>Total Funding</b>	<b>45,667.0</b>	<b>54,565.1</b>	<b>54,565.1</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To achieve the goals of the Workforce Investment Act by providing employment assistance to adults, youth, and dislocated workers.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of adults who entered employment	1,608	1,600	1,526	1,500	1,500
Number of youth who entered employment	288	290	386	400	400
Number of dislocated workers who entered employment	2,192	2,200	2,224	2,100	2,100

**Subprogram Summary**

REHABILITATION SERVICES

Michael Wisheart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. §§ 23-501; 36-552

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	2,460.4	3,594.4	3,594.4
Other Appropriated Funds	1,223.0	204.7	204.7
Other Non Appropriated Funds	38,962.8	34,379.3	34,379.3
<b>Total Funding</b>	<b>42,646.2</b>	<b>38,178.4</b>	<b>38,178.4</b>

**FTE Positions** 0.0 0.0 0.0

◆ **Goal 1** To assist customer to achieve meaningful and sustained work as effectively and efficiently as possible.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Individuals in the Vocational Rehabilitation program successfully rehabilitated.	1,157	0	964	1,000	1,000

**Subprogram Summary**

ARIZONA INDUSTRIES FOR THE BLIND

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 41-1971

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	21,495.2	20,287.4	20,287.4
<b>Total Funding</b>	<b>21,495.2</b>	<b>20,287.4</b>	<b>20,287.4</b>

**FTE Positions** 0.0 0.0 0.0

**Subprogram Summary**

UNEMPLOYMENT INSURANCE

Michael Wisehart, Chief Financial Officer  
 Phone: (602) 542-3786  
 A.R.S. § 23-601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	1,085,108.8	647,919.4	396,674.9
<b>Total Funding</b>	<b>1,085,108.8</b>	<b>647,919.4</b>	<b>396,674.9</b>

**FTE Positions** 0.0 0.0 0.0

◆ **Goal 1** To increase the degree of timeliness in paying Unemployment Insurance benefits.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
First payment timeliness	92.4	92.0	92.6	92.0	92.0

**Subprogram Summary**

EMPLOYMENT SERVICES

Michael Wisheart, Chief Financial Officer  
 Phone: (602) 542-3786  
 (SLI) PL 93-112

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	3,536.9	3,066.8	3,066.8
<b>Total Funding</b>	<b>3,536.9</b>	<b>3,066.8</b>	<b>3,066.8</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To provide employment opportunities for individuals seeking employment and recruitment services to employers.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of clients entered employment	73,760	0	79,834	81,000	81,000



# Department of Education

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



# Arizona Department of Education

**Five Year Strategic Plan  
FY 2014-2018**

John Huppenthal  
Superintendent of Public Instruction

## **Statement from Superintendent John Huppenthal**

*“As I meet with parents, educators, business and community leaders throughout Arizona, and staff within ADE, I remain encouraged by our shared dedication to the students of Arizona. The collaborative partnerships we’ve established are a firm foundation for improving academic achievement. Moving forward, we’ll continue to refine our focus through an iterative process of feedback, planning, implementation and review to create a dynamic, flexible plan that is able to deliver desired results.*

*Internally, and with feedback from stakeholders, we have collaboratively defined meaningful performance measures in four strategic issues to drive academic achievement and college and career readiness. These areas include:*

- *Increase Student Achievement K-12*
- *Strengthen Customer Relationships*
- *Enhance Process Efficiency and Effectiveness*
- *Build a Great Place to Work*

*Our Plan includes ambitious, innovative goals and objectives focused on developing great schools, excellent teachers, and successful students. To that end, we are developing a laser focus on the following:*

- *Creating transformative schools; developing models for schools with low academic growth and test scores, and best practice approaches to help even the best schools continuously improve*
- *Aggressively pursuing the development and implementation of a redesigned classroom, capable of breaking through to substantially higher levels of academic gain*
- *A vigorous, multi-faceted process to gauge customer and stakeholder satisfaction, including:*
  - *Parent involvement*
  - *Student engagement*
  - *Teacher job satisfaction*
- *In all initiatives, applying best practices in blended learning, growth models, assessment, accountability and incentives to drive improvement*

*We believe that implementing this Plan in partnership with education, business and community stakeholders will help us achieve our Mission: to serve Arizona’s education community, ensuring every student has access to an excellent education.”*

**John Huppenthal, Superintendent of Public Instruction**

**October 1, 2012**

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## **Arizona Department of Education**

The Arizona Department of Education (ADE) is administered by the Superintendent of Public Instruction, an elected position pursuant to the Arizona State Constitution. The Superintendent, in conjunction with the State Board of Education, leads the State in developing and implementing educational guidelines and standards. Through various programs within the Department, the Superintendent oversees direct services to 237 locally governed school districts, including 13 vocational districts and 9 accommodation districts. The Superintendent, in conjunction with the State Board for Charter Schools oversees 416 charters. The Department executes the educational guidelines through evaluation, training, school improvement assistance, dissemination of information, and administration and allocation of funds. The Department also serves as the primary source for information on the status and needs of the public school system.

This is a “living” document that will guide our focus and activities. As such, some objectives and expected results will be subject to change as information and events unfold. Objectives and measures aligned to drive achievement have also been developed in Units, Sections and Divisions throughout ADE.

### **Mission**

*To serve Arizona’s education community,  
ensuring every student has access to an excellent education*

### **Values**

- **Integrity:** honesty, transparency, highly ethical behavior
- **Respect:** be courteous and considerate, value others
- **Help each other succeed:** collaborate, support others, inspire accomplishment
- **Dedication to excellence:** high standards, high expectations, great results
- **Efficiency:** minimize waste of time, effort and resources
- **Continuous improvement:** always learn, always innovate, always improve
- **Customer focused:** understand needs, deliver quality service, exceed expectations
- **Effective communication:** share information, actively listen, ensure understanding

### **Strategic Issues**

(“Strategic Issues” are also termed “Key Result Areas” in ADE planning documents and are the identified areas of focus for the Agency under which all goals and objectives are aligned.)

- **Increase Student Achievement**
- **Strengthen Customer Relationships**
- **Enhance Process Efficiency and Effectiveness**
- **Build a Great Place to Work**

## **Strategic Issue #1 Increase Student Achievement (K-12)**

To develop and sustain great schools, excellent teachers and successful students in Arizona, we've defined ambitious goals, focused on achieving breakthrough-levels of academic gain. They include: innovative, redesigned

classrooms; transformative schools; applied best practices; implementation of common core standards; measuring teacher and student satisfaction; and accountability for performance gains.

### **Goals:**

1. **By FY 2018, increase to at least 75%, the percent of students meeting or exceeding Arizona's Common Core Standards for Reading, Writing and Math.**
2. **Achieve at least 78% of 3<sup>rd</sup> grade students meeting/exceeding AIMS standards for Reading by June 30, 2013 (77% in 2012).**
3. **By June 30, 2014, fully implement the more rigorous Arizona's Common Core Standards, and complete all preparations for full implementation of the new, more rigorous assessment in 2015.**
4. **In 2017, achieve the following targets for the percent of students scoring at or above basic scores in National Assessment of Educational Progress (NAEP) 4<sup>th</sup> and 8<sup>th</sup> grade assessments:**

a. 4 <sup>th</sup> grade Reading: 70%	4 <sup>th</sup> grade Math: 85%
b. 8 <sup>th</sup> grade Reading: 82%	8 <sup>th</sup> grade Math: 81%
5. **By 2018, increase the percent of students graduating high school in four years from 74% in 2011 to 86%.**
6. **By 2018, increase by 25 percentage points, the percent of graduating students determined to be college and career ready.**

### **Objectives/Strategies:**

1. Implement transformative school models in at least 20 schools by 2018 to achieve break through gains in student achievement (emphasis in ELA and Math).
  - a. Develop language arts Free Throws by June 30, 2014.
  - b. Expand Math Free Throws to at least 50% of schools by July, 2014.
2. Provide training and resources for all grades to support implementation of Arizona's Common Core Standards by July 1, 2014.
  - a. By June 30, 2014, 95% of teachers will have received training on Arizona's Common Core Standards.
  - b. By June 30, 2014, 95% of teachers will report teaching Arizona's Common Core Standards
  - c. By January 30, 2013, determine recommendations for measuring a new assessment on more rigorous high school graduation requirements.
3. Provide resources and guidance to districts and charters for full implementation of the teacher principal evaluation model by 2014.
  - a. Capture and report on teacher and principal evaluation data showing percent of highly effective, effective, developing, and ineffective by June 30, 2014.
4. By 2015, increase pertinent information available to help school teachers and administrators improve student outcomes by implementing a student satisfaction survey developed through research of applied best practices.
5. By 2014, increase pertinent information available to help school teachers and administrators improve student outcomes by implementing a survey of teacher job satisfaction at the school district level.

6. From among LEA/Districts who offer CTE programs, increase the percentage of LEA/Districts that articulate any CTE program and grant academic credit for embedded Math, Science or ELA to meet a graduation requirement, from 20% to 25%, by June 30, 2013.
7. Increase each year the percent of adult education students successfully achieving their educational goals.

## **Strategic Issue #2 Strengthen Customer Relationships**

We exist to serve our customers. Our mission, "To serve Arizona's education community, ensuring every student has access to an excellent education", is our filter for every action, goal, and idea. Accordingly, our emphasis will be in strengthening relationships with parents, education, business and community partners. In

all relationships, our focus will be on providing value-added services, evaluating satisfaction from the customers' perspective. Our desire is to be regarded as competent, compassionate, professional allies; value-added contributors in the collective effort to provide every student access to an excellent education.

### **Goals:**

1. **Achieve a "net top box" external customer rating of 30% on overall customer satisfaction with ADE by 2018 (from -13.7% in 2011 and 1.1% in 2012).**

### **Objectives/Strategies:**

- a. Based on customer feedback provided in 2011 and 2012 surveys, streamline the survey process by 2014 to minimize disruption to the field and increase response rate from 20% in 2012 to 50% by 2016.

## **Strategic Issue #3: Enhance Process Efficiency and Effectiveness**

ADE recognizes the importance of a systematic approach to design, deliver and evaluate services and products that add value from a customer perspective. To that end, we have made an organizational commitment to improve the efficiency and effectiveness of processes and procedures, to minimize redundancy and burden on the field. Our approach will include

cross-functional and Unit/program-specific improvements that are linked to customer requirements. As a result of our focus, significant improvements are expected in our student accountability systems, grants management system, and cross-functional communication and collaboration.

### **Goals:**

1. **Develop and implement a Student Accountability and Information System (SAIS) that meets the needs of schools, students, parents and ADE by July 1, 2014.**
2. **Increase efficiency and effectiveness of at least six (6) ADE processes and systems by June 30, 2014.**

### **Objectives:**

- a. Improve customer satisfaction rating with Information Technology services from 2.39 in 2011 to 3.75 in 2015. (Achieved 3.56 rating in 2012, over 3.25 target set for 2013.)

- b. Implement new automated certification system and have operational by March 31, 2014.
- c. Implement new agency and student technologies to support the Arizona Department of Education initiatives and strategic objectives. All programs will be delivered within +/- 10% of baseline schedule and budget.
- d. Resolve at least 90% of federal audit findings within six months of receipt of federal audit report.
- e. By June 30, 2013, complete process improvement projects to improve service delivery for: grants monitoring; 915s processing; proactive, facilitated IEP; and others as determined by Divisions.
- f. Continue development and implementation of new grants management system, with full implementation of all grants by July 31, 2014.

### **Strategic Issue #4 Build a Great Place to Work**

We recognize that quality and high performance are achieved from full participation and partnership between staff and management. To that end, our commitment to build a great place to work is based on creating and sustaining a

supportive work culture that sets standards and accountability for cooperation, communication, customer-driven service and continuous improvement.

#### **Goals:**

- 1. **Achieve a 40% “net top box” employee rating of ADE as a great place to work by 2018.**
- 2. **By June 30, 2018, achieve gains in all of the four designated areas measuring progress toward building “a great place to work”.**

#### **Objectives:**

- a. By March 1, 2015, increase to at least 25% the net top box percentage of staff rating ADE as an outstanding place to work.
- b. Fully implement Leadership Development process by 2014 to improve the quality of management and leadership as demonstrated by employee survey ratings for each management level.
- c. Increase employee satisfaction ratings on effectiveness of ADE communication to 4.00 by March 1, 2015.
- d. By March 1, 2015, increase employee ratings on Supportive Work Environment:
  - i. to 4.20 on supervisor “support”
  - ii. to 4.10 on manager “support”
  - iii. to 4.00 on senior management “support”
  - iv. to 4.00 on “recognition”



## Appendix A

### Agency Performance Measures

Performance Measures	FY 2011 Actual	FY 2012 Actual	FY 2013 Est.	FY 2014 Est.	FY 2015 Est.	FY 2016 Est.	FY 2017 Est.	FY 2018 Est.
<b>#1: Percent of students meeting or exceeding AIMS standards</b>								
Percent of all students meeting or exceeding Math standards	59%	60%	63%	Establish Baseline				
Percent of all students meeting or exceeding Reading standards	75.6%	77%	78%	Establish Baseline				
Percent of 3 <sup>rd</sup> graders meeting or exceeding Arizona standards for Reading	76%	75%	80%	Establish Baseline				
Percent of all students in grade 10 meeting or exceeding Reading standards	78%	80%	82%	Establish Baseline				
Percent of all students in grade 10 meeting or exceeding Math standards	60%	60%	64%	Establish Baseline				
Percent of all students in grade 10 meeting or exceeding state Writing standards	68%	70%	72%	Establish Baseline				
<b>#2: Comparison between % of Arizona students and % of National students scoring at or above basic scores in NAEP Reading and Math assessments</b>								
Arizona/National Grade 4 Reading	58%/67%	NA	61%/	NA	65%/	NA	69%/	NA
Arizona/National Grade 4 Math	77%/82%	NA	75%/	NA	79%/	NA	83%/	NA
Arizona/National Grade 8 Reading	71%/76%	NA	72%/	NA	76%/	NA	80%/	NA
Arizona/National Grade 8 Math	68%/73%	NA	71%/	NA	75%/	NA	79%/	NA
<b>#3: Percent of students graduating high school in four years</b>								
Percent of Arizona high school students who enter 9 <sup>th</sup> grade and graduate within 4 years. (Fiscal Year data represents class cohort from 1 year previous (i.e. FY 2011 = Class of 2010)	74%	78%	78%	80%	82%	84%	85%	87%
<b>#4: College and Career Readiness</b>								
Percent of students deemed college and career ready at graduation	NA	7%	8%	9%	12%	18%	25%	33%
<b>#5: Adult Education</b>								
Percent of learners age 16 and over who achieved their goal of earning a High School Equivalency diploma	62%	57%	New Baseline					
<b>#6: Career and Technical Education (CTE)</b>								
Percent of CTE Program concentrators who passed the Arizona CTE Assessment aligned with industry-recognized standards	84.14%	86%	87%	88%	89%	90%	91%	92%
<b>#7: Customer Satisfaction</b>								
Net "top box"**** percentage of parents in 40 largest school districts rating A+ on quality of their child's education	NA	NA	N/A	Establish Baseline				
Net "top box"**** percentage of teachers in 40 largest school districts rating A+ on job satisfaction	NA	NA	N/A	Establish Baseline				
Net "top box"**** percentage of students in 40 largest school districts rating A+ on satisfaction/well-being	NA	NA	N/A	Establish Baseline				
Net "top box"***** rating of overall satisfaction with ADE services	-13.7%	1.2%	5%	10%	15%	20%	25%	30%
Net "top box"***** percentage of employees rating ADE "Outstanding" as a "Great Place to Work"	13.8%	12.3%	15%	20%	25%	30%	35%	40%

\*\*\* State-differentiated scores published in odd-numbered years: 2009 scores for 4<sup>th</sup> Grade Reading: 57% 4<sup>th</sup> Grade Math: 71%  
 2009 scores for 8<sup>th</sup> Grade Reading: 68% 8<sup>th</sup> Grade Math: 67%

\*\*\*\* Percentage of parents rating quality a D or F will be subtracted from percentage rating A+

\*\*\*\*\*Percentage rating "Poor" will be subtracted from top percentage rating "Outstanding"

## Appendix B

### 5 Year Resource Assumptions

	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Estimate</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
Full-Time Equivalent (FTE) Positions	626	643	650	650	650	650
General Fund	\$3,496,900,300	\$3,530,884,200	\$3,636,810,726	\$3,745,915,048	\$3,858,292,499	\$3,974,041,274
Other Appropriated Funds	\$57,167,700	\$57,167,700	\$57,167,700	\$57,167,700	\$57,167,700	\$57,167,700
Non-Appropriated Funds	\$456,187,600	\$536,671,100	\$552,771,233	\$569,354,370	\$586,435,001	\$604,028,051
Federal Funds	\$1,199,433,400	\$1,053,001,800	\$1,053,001,800	\$1,053,001,800	\$1,053,001,800	\$1,053,001,800
<b>Total Agency Funds</b>	<b>\$5,209,689,000</b>	<b>\$5,177,724,800</b>	<b>\$5,299,751,459</b>	<b>\$5,425,438,918</b>	<b>\$5,554,897,000</b>	<b>\$5,688,238,825</b>

**Assumptions:**

FTEs based on both filled and vacant positions

FY13 data from JLBC's 2013 Appropriations Report

General Fund includes Decision Packages for FY 14 and then +3% through 2018

Non-Appropriated increases 3% from 2015 - 2018

Federal Funds sequestered a total of \$86M in FY14, then constant through 2018

## Agency Summary

### DEPARTMENT OF EDUCATION

John Huppenthal, Superintendent of Public Instruction

Phone: (602) 542-2843

A.R.S. § Title 15 et seq.

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
➤ OFFICE OF THE SUPERINTENDENT	650.5	678.6	678.6
➤ STATE BOARD OF EDUCATION / VOC AND TECH EDUCATION	861.1	44,583.8	44,583.8
➤ ADMINISTRATION	388,233.1	394,719.0	421,014.6
➤ SCHOOL FINANCE	3,758,358.9	3,875,803.9	3,875,803.9
➤ HIGHLY EFFECTIVE SCHOOLS	779,054.0	667,147.9	678,603.7
➤ HIGHLY EFFECTIVE TEACHERS AND LEADERS	58,264.3	64,471.6	64,471.6
➤ HIGH ACADEMIC STANDARDS FOR STUDENTS	64,173.9	63,308.7	63,308.7
➤ ACCOUNTABILITY AND ASSESSMENT	26,903.2	33,027.4	37,616.0
<b>Agency Total:</b>	<b>5,076,499.0</b>	<b>5,143,740.9</b>	<b>5,186,080.9</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	3,374,706.2	3,496,900.3	3,539,240.3
Other Appropriated Funds	50,864.8	57,167.7	57,167.7
Other Non Appropriated Funds	1,650,928.0	1,589,672.9	1,589,672.9
<b>Total Funding</b>	<b>5,076,499.0</b>	<b>5,143,740.9</b>	<b>5,186,080.9</b>
<b>FTE Positions</b>	<b>610.4</b>	<b>625.6</b>	<b>644.6</b>

**Program Summary**

OFFICE OF THE SUPERINTENDENT

John Huppenthal, Superintendent of Public Instruction  
 Phone: (602) 542-2843  
 A.R.S. § Title 15 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	650.5	678.6	678.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>650.5</b>	<b>678.6</b>	<b>678.6</b>
<b>FTE Positions</b>	<b>6.7</b>	<b>8.7</b>	<b>8.7</b>

◆ **Goal 1** To increase customer satisfaction

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Internal (overall) customer satisfaction rating for Policy Development and Government Relations	0	0	3.79	3.80	3.82
Internal customer satisfaction rating on Policy Development and Government Relations timeliness of information delivery	0	0	3.89	3.90	3.92
Expand FreeThrows math fluency software to additional sites.	0	0	21	41	61
External customer overall satisfaction rating for Innovative Learning	0	0	3.76	4.01	4.16
Evaluate personalized, adaptive, digital programs for pilot opportunities.	0	0	10	6	3
Increase Internal satisfaction rating for ADE's website (on a 1.0 - 5.0 scale)	0	0	3.72	4.0	4.15
Increase Constituent Services' e-mail satisfaction rating for e-mail responses (on a 1.0 – 5.0 scale)	0	0	4.17	4.4	4.5
Increase satisfaction rating for external conference operations and management (on a 1.0 – 5.0 scale)	0	0	4.40	4.50	4.55

**Program Summary**

STATE BOARD OF EDUCATION / VOC AND TECH EDUCATION

Vince Yanez,  
 Phone: (602) 542-5057  
 Arizona State Constitution, A.R.S. § 15-201-231

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	534.6	44,213.5	44,213.5
Other Appropriated Funds	326.5	370.3	370.3
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>861.1</b>	<b>44,583.8</b>	<b>44,583.8</b>
<b>FTE Positions</b>	<b>8.0</b>	<b>12.0</b>	<b>12.0</b>

◆ **Goal 1** To set fair and reasonable policies and standards that foster excellence in public education.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of Arizona high school students who enter 9th grade and graduate within four years	74	76	78	80	81

**Explanation:** Fiscal Year data represents class cohort from 1 year previous (i.e. FY 2011 = Class of 2010).

◆ **Goal 2** To ensure student safety by investigating and taking appropriate action on complaints made against professional educators.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of investigative cases closed	291	290	348	300	300
Adjudications by State Board of Education	0	0	51	98	110

**Explanation:** Adjudications - cases presented to and voted on by board members.

Evaluation completion date for all submitted K-3 Literacy Plans (A.R.S. 15-211)*	0	0	March	February	January
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**Explanation:** \*completion date by scheduled board meeting of indicated month

**Program Summary**

ADMINISTRATION

Elliott Hibbs, Deputy Superintendent  
 Phone: (602) 364-2347  
 A.R.S. § 15-231-15-272, P.L. 107-110

**This Program Contains the following Subprograms:**

- ▶ Business and Finance
- ▶ Information Technology
- ▶ Research and Evaluation
- ▶ Health and Nutrition Services

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	5,036.3	10,539.9	34,735.5
Other Appropriated Funds	4,797.1	1,200.0	3,300.0
Other Non Appropriated Funds	378,399.7	382,979.1	382,979.1
<b>Total Funding</b>	<b>388,233.1</b>	<b>394,719.0</b>	<b>421,014.6</b>
<b>FTE Positions</b>	<b>185.5</b>	<b>192.8</b>	<b>207.8</b>

**Subprogram Summary**

BUSINESS AND FINANCE

Ross Begnoche, Chief Financial Officer  
 Phone: (602) 542-7883  
 A.R.S. § 15-251-15-272, P.L. 107-110

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	3,088.3	3,201.4	3,597.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	4,621.9	6,133.6	6,133.6
<b>Total Funding</b>	<b>7,710.2</b>	<b>9,335.0</b>	<b>9,730.6</b>
<b>FTE Positions</b>	<b>79.0</b>	<b>84.1</b>	<b>87.1</b>

◆ **Goal 1** To provide accurate and helpful information to the public.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of 'Out of Compliance' completion reports in the Grants Management Enterprise system	0	0	13	10	9
Number of print jobs completed within budget (%).	0	0	97.35	94.5	95.5
Properly completed external maintenance requests completed within 3 days (%)	0	0	94.65	94.75	95.35
Average turnaround time on pending classification position actions (in weeks)	0	0	5	4	3.75
Percent of paychecks with no ADE HR or Payroll staff-related errors	0	0	99.75	99.75	99.75

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of Single Audit Findings resolved within the required six-month timeframe	0	0	77.8	85	85
Perform at least 18 federal fiscal monitoring audits of school districts and charter schools by June 30th of each year	0	0	13	18	18

◆ **Goal 2** To improve employee and customer satisfaction.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Internal customer overall satisfaction rating for Business and Finance services	0	0	3.90	4.05	4.20
Internal customer overall satisfaction rating for Building Operations services	0	0	3.98	4.00	4.25
Internal customer overall satisfaction rating for Human Resources services	0	0	4.06	4.18	4.31
Internal customer overall satisfaction rating for Strategic Planning services	0	0	3.84	3.90	3.95
Overall external customer satisfaction rating	2.99	3.15	3.17	3.25	3.50
Percent of employees rating ADE as "Outstanding"	18	25	16.6	20	22
Overall employee satisfaction rating	3.50	3.65	3.43	3.50	3.60

**Subprogram Summary**

INFORMATION TECHNOLOGY

Mark Masterson, Chief Information Officer

Phone: (602) 542-3542

A.R.S. § 15-251-15-272, P.L. 107-110

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
General Funds	1,854.9	7,245.8	31,045.8
Other Appropriated Funds	4,785.0	1,200.0	2,184.0
Other Non Appropriated Funds	4,258.4	6,947.4	6,947.4
<b>Total Funding</b>	<b>10,898.3</b>	<b>15,393.2</b>	<b>40,177.2</b>
<b>FTE Positions</b>	<b>36.2</b>	<b>41.7</b>	<b>46.7</b>

◆ **Goal 1** To ensure customer business success

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Service availability on critical applications at 99.75% uptime	0	0	99.99	99.75	99.75

◆ **Goal 2** To insure customer system availability

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
IT will measure and manage CPU/Memory/Storage with 75% threshold target for mean/max utilization	0	0	0	75	75

◆ **Goal 3** To increase quality of customer delivery

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
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	Actual	Estimate	Actual	Estimate	Estimate
Measure total change tickets raised vs % of urgent changes/failed changes with target of 92% success	0	0	0	92	92

<b>Subprogram Summary</b>
RESEARCH AND EVALUATION
Carrie Giovannone, Deputy Associate Superintendent Phone: (602) 364-1994 A.R.S. § 15-743, 15-746, P.L. 107-110

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	12.1	0.0	1,116.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>12.1</b>	<b>0.0</b>	<b>1,116.0</b>
<b>FTE Positions</b>	<b>6.0</b>	<b>0.0</b>	<b>7.0</b>

◆ **Goal 1** To issue, on time, valid and reliable evaluations of school and student performance as required by State and Federal statutes.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of students in grade 3 meeting or exceeding state academic standards in AIMS reading	76	77	75	78	80
Percent of students in grade 3 meeting or exceeding state academic standards in AIMS math	68	70	69	72	74
Percent of students in grade 10 meeting or exceeding state academic standards in reading	78	80	80	82	84
Percent of students in grade 10 meeting or exceeding state academic standards in writing	68	70	70	72	74
Percent of students in grade 10 meeting or exceeding state academic standards in math	60	62	60	64	66
Percent of students in grade 2 performing at or above the 50th percentile on norm-referenced reading test	41	42	41	44	44
Percent of students in grade 2 performing at or above the 50th percentile on norm-referenced math test	57	58	57	59	60
Percent of students in grade 9 performing at or above the 50th percentile on norm-referenced reading test	58	59	66	66	68
Percent of students in grade 9 performing at or above the 50th percentile on norm-referenced math test	71	72	71	73	74

◆ **Goal 2** To provide accurate and helpful information to the public.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
External customer overall satisfaction rating	3.00	3.20	3.52	3.60	3.70



**Subprogram Summary**

HEALTH AND NUTRITION SERVICES

Mary Szafranski, Deputy Associate Superintendent

Phone: (602) 542-8709

Nat. School Lunch and Child Nutrition Acts, P.L. 108-265

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	93.1	92.7	92.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	369,519.4	369,898.1	369,898.1
<b>Total Funding</b>	<b>369,612.5</b>	<b>369,990.8</b>	<b>369,990.8</b>
<b>FTE Positions</b>	<b>64.3</b>	<b>67.0</b>	<b>67.0</b>

◆ **Goal 1** To ensure compliance with State and Federal statutes and regulations along with other contractual obligations.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of Child and Adult Food Care Program Sponsor reviews with no serious deficiencies	91	91	95	80	80
Percent of Food Service Management Contracts in program compliance with invoicing SFAs	0	0	80	87	89
Percent of claims reimbursed within 45 days	0	0	100	100	100
Overall external customer rating on Operations services	0	0	4.25	4.27	4.29
Overall external customer rating on Food Distribution services	0	0	4.27	4.29	4.31
Overall external customer rating on School Nutrition Program services	0	0	4.21	4.23	4.25
Overall external customer rating on School Health Program services	0	0	3.86	3.88	3.91
Overall external customer rating on CACFP services	0	0	3.99	4.01	4.03

**Program Summary**

SCHOOL FINANCE

Lyle Friesen, Deputy Associate Superintendent

Phone: (602) 542-8250

A.R.S. § 15-185, 15-901-917, 15-941-15-1033, 37-521

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	3,306,837.3	3,380,647.5	3,380,647.5
Other Appropriated Funds	39,475.5	46,475.5	46,475.5
Other Non Appropriated Funds	412,046.1	448,680.9	448,680.9
<b>Total Funding</b>	<b>3,758,358.9</b>	<b>3,875,803.9</b>	<b>3,875,803.9</b>
<b>FTE Positions</b>	<b>19.0</b>	<b>20.0</b>	<b>20.0</b>

◆ **Goal 1** To provide timely and reliable customer service.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of Instructional Improvement Fund (IIP) payments made on a quarterly basis	100	100	100*	100	100
<b>Explanation:</b> * payment schedule modified to semi-annual basis					
Percent of Classroom Site Fund payments made on a monthly basis	100	100	100	100	100
Number of days to process budget analysis from July 18	103	90	92	85	85
External customer overall satisfaction rating	2.75	3.0	3.70	3.80	3.90

**Program Summary**

**HIGHLY EFFECTIVE SCHOOLS**

Marv Lamer, Associate Superintendent

Phone: (602) 542-4288

A.R.S. § 15-531-15-551, 15-704, 15-919-15-920, P.L. 107-110

**This Program Contains the following Subprograms:**

- ▶ Exceptional Student Services
- ▶ School Improvement and Intervention
- ▶ Career and Technical Education
- ▶ Title I
- ▶ Emergent Student Services

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	44,734.9	44,736.7	53,592.5
Other Appropriated Funds	281.3	200.0	2,800.0
Other Non Appropriated Funds	734,037.8	622,211.2	622,211.2
<b>Total Funding</b>	<b>779,054.0</b>	<b>667,147.9</b>	<b>678,603.7</b>
<b>FTE Positions</b>	<b>236.5</b>	<b>231.1</b>	<b>233.1</b>

**Subprogram Summary**

**EXCEPTIONAL STUDENT SERVICES**

Angela Denning, Deputy Associate Superintendent

Phone: (602) 354-2281

A.R.S. § 15-236, 15-761-15-774, 15-881, 15-1181-15-1205, IDEA

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	33,242.1	33,242.1	33,242.1
Other Appropriated Funds	0.0	200.0	200.0
Other Non Appropriated Funds	247,761.1	215,557.8	215,557.8
<b>Total Funding</b>	<b>281,003.2</b>	<b>248,999.9</b>	<b>248,999.9</b>
<b>FTE Positions</b>	<b>107.2</b>	<b>108.2</b>	<b>108.2</b>

- ◆ **Goal 1** To ensure that all students with disabilities have access to an excellent education

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Percent of students with IEPs graduating from high school with a regular diploma*	64.9	66	*	66	68
Percent of children with IEPs scoring at or above proficient in reading as measured by the state approved standardized assessment	0	0	*	40	42
Percent of children with IEPs scoring at or above proficient in math as measured by the state approved standardized assessment	0	0	*	29	31
Annual special education director specialist satisfaction survey overall rating	0	0	3.70	3.75	3.80

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Annual external customer overall satisfaction rating	0	0	4.17	4.25	4.25

**Subprogram Summary**

SCHOOL IMPROVEMENT AND INTERVENTION

Dan Brown, Deputy Associate Superintendent

Phone: (602) 364-2281

A.R.S. § 15-241, 15-741.01, 15-809, P.L. 107-110

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	281.3	0.0	2,600.0
Other Non Appropriated Funds	31,763.9	31,374.2	31,374.2
<b>Total Funding</b>	<b>32,045.2</b>	<b>31,374.2</b>	<b>33,974.2</b>
<b>FTE Positions</b>	<b>18.4</b>	<b>12.7</b>	<b>12.7</b>

◆ **Goal 1** To provide technical assistance and training for districts and schools to improve effectiveness

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
External customer overall satisfaction rating	3.49	3.65	3.88	4.38	4.63
Complete at least 95% of scheduled monitoring visits to SIG/Priority schools on time	0	0	80	95	95

**Subprogram Summary**

CAREER AND TECHNICAL EDUCATION

Mark Hamilton, Deputy Associate Superintendent

Phone: (602) 542-3437

A.R.S. § 15-781-15-790, P.L. 109-270

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	11,492.8	11,494.6	20,350.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	24,462.9	28,399.1	28,399.1
<b>Total Funding</b>	<b>35,955.7</b>	<b>39,893.7</b>	<b>48,749.5</b>
<b>FTE Positions</b>	<b>47.2</b>	<b>49.0</b>	<b>51.0</b>

◆ **Goal 1** To ensure compliance with State and Federal statutes and regulations along with other contractual obligations

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of career and technical education students graduating high school	98.82	98.9	98	98.2	98.3
Percent of career and technical education program concentrators passing Arizona CTE Assessment aligned with industry-recognized standards	NA	80	*	80	81

**Explanation:** \* data available Oct 2012

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of CTE students placed in school, job or military after graduation	0	0	76.3	76.5	76.7
External customer overall satisfaction rating	3.78	3.98	3.95	4.25	4.35

**Subprogram Summary**

TITLE I

Nancy Konitzer, Deputy Associate Superintendent  
 Phone: (602) 542-7470  
 P.L. 107-110

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	388,139.9	301,458.9	301,458.9
<b>Total Funding</b>	<b>388,139.9</b>	<b>301,458.9</b>	<b>301,458.9</b>
<b>FTE Positions</b>	<b>34.6</b>	<b>29.1</b>	<b>29.1</b>

◆ **Goal 1** To ensure compliance with State and Federal statutes and regulations along with other contractual obligations

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of districts in compliance in (Cycle 1) Federal indicator	0	0	95	96	97
Percent of districts in compliance in (Cycle 2) Federal indicator	0	0	98	99	99
Percent of districts in compliance in (Cycle 3) Federal indicator	0	0	100	99	99
Percent of districts in compliance in (Cycle 5) Federal indicator	0	0	94	95	96
Percent of districts in compliance in (Cycle 6) Federal indicator	0	0	98	99	99

**Subprogram Summary**

EMERGENT STUDENT SERVICES

Ralph Romero, Deputy Associate Superintendent  
 Phone: (602) 542-7455  
 A.R.S. § 15-1241, P.L. 89-329, P.L. 101-610, P. L. 107-110

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	41,910.0	45,421.2	45,421.2
<b>Total Funding</b>	<b>41,910.0</b>	<b>45,421.2</b>	<b>45,421.2</b>
<b>FTE Positions</b>	<b>29.1</b>	<b>32.1</b>	<b>32.1</b>

◆ **Goal 1** To provide timely and reliable customer service

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
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21st CCLC annual external customer overall satisfaction rating	0	0	4.43	4.45	4.50
External customer overall satisfaction rating on the School Safety Program	0	0	4.69	4.72	4.75
Maintain the percent of S3 schools with Action Plans aligned to State Plan (100% in 2012)	0	0	100	100	100
Percent of Character Education participants indicating a decrease in disciplinary referrals	0	0	38	40	45
Percent of Character Education participants indicating improvement in school climate	0	0	69	72	75
External customer overall satisfaction rating on Migrant Education	3.35	3.50	4.67	4.70	4.73
External customer overall satisfaction rating on Education for Homeless Children and Youth	4.71	4.75	4.63	4.65	4.70
External customer overall satisfaction rating on the Indian Education	0	0	3.36	3.45	3.50
External customer overall satisfaction rating of the Refugee Education	0	0	5	4.75	4.75

**Program Summary**

HIGHLY EFFECTIVE TEACHERS AND LEADERS

Karen Butterfield, Associate Superintendent

Phone: (602) 364-1957

A.R.S. § 15-531-15-551, 15-919-15-920, P.L. 107-110

**This Program Contains the following Subprograms:**

- ▶ Office of Arizona Charter Schools Programs (AZCSP)
- ▶ Educator Excellence/Title II - A

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,790.9	1,921.9	1,921.9
Other Non Appropriated Funds	56,473.4	62,549.7	62,549.7
<b>Total Funding</b>	<b>58,264.3</b>	<b>64,471.6</b>	<b>64,471.6</b>
<b>FTE Positions</b>	<b>45.6</b>	<b>56.4</b>	<b>56.4</b>

**Subprogram Summary**

OFFICE OF ARIZONA CHARTER SCHOOLS PROGRAMS (AZCSP)

Mark Francis, Deputy Associate Superintendent

Phone: (602) 542-4020

A.R.S. § 15-181-15-189.03

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	9,230.4	14,455.2	14,455.2
<b>Total Funding</b>	<b>9,230.4</b>	<b>14,455.2</b>	<b>14,455.2</b>
<b>FTE Positions</b>	<b>4.7</b>	<b>3.6</b>	<b>3.6</b>

- ◆ **Goal 1** To ensure high-quality educational choices

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of applicants to Aspiring Leadership Fellowship	0	0	15	30	40
Number of high schools serving at-risk populations	0	0	31	40	50

**Subprogram Summary**

EDUCATOR EXCELLENCE/TITLE II - A

Todd Peterson, Deputy Associate Superintendent

Phone: (602) 364-2294

A.R.S. § 15-531-15-551, 15-919-15-920, P.L. 107-110

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,790.9	1,921.9	1,921.9
Other Non Appropriated Funds	47,243.0	48,094.5	48,094.5
<b>Total Funding</b>	<b>49,033.9</b>	<b>50,016.4</b>	<b>50,016.4</b>
<b>FTE Positions</b>	<b>40.9</b>	<b>52.8</b>	<b>52.8</b>

◆ **Goal 1** To provide timely and reliable customer service

<b>Performance Measures</b>	<b><u>FY 2011 Actual</u></b>	<b><u>FY 2012 Estimate</u></b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
Reduce from 10 days the average processing time of certification services requiring an evaluation.	0	0	10	7.5	7.0
Maintain at least a 4.5 customer service satisfaction rating at the counter and for outreach services	0	0	4.5	4.5	4.5

◆ **Goal 2** To ensure the quality of Arizona's educators through evaluation and certification

<b>Performance Measures</b>	<b><u>FY 2011 Actual</u></b>	<b><u>FY 2012 Estimate</u></b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
Percent of Title II-A applications/amendments reviewed by program specialists within 10 days of being submitted to the ADE within the existing grants management system	0	0	75	78	83
Increase the percent of core academic teaching positions taught by highly qualified teachers within the state	0	0	98.3	99	99.2
Percent of ADE's ACCS-related training sessions using the ACCS-PD Framework	0	0	NA	60	70
Percent of Regional Center & ESA ACCS-related training sessions using the ACCS-PD Framework	0	0	NA	60	70
Percent of Superintendent Districts improving AIMS Reading scores (District Wide)	0	0	60	60	60
Percent of Superintendent Districts improving AIMS Math scores (District Wide)	0	0	50	50	50



**Program Summary**

HIGH ACADEMIC STANDARDS FOR STUDENTS

Kathy Hrabluk, Associate Superintendent

Phone: (602) 364-1985

A.R.S. § 15-241, 15-751-756.01-.13, 15-910, 41-1279.03, P.L. 107-110

**This Program Contains the following Subprograms:**

- ▶ K-12 Academic Standards
- ▶ Early Childhood
- ▶ Title III - OELAS

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	13,690.3	12,865.7	12,865.7
Other Appropriated Funds	606.9	0.0	0.0
Other Non Appropriated Funds	49,876.7	50,443.0	50,443.0
<b>Total Funding</b>	<b>64,173.9</b>	<b>63,308.7</b>	<b>63,308.7</b>
<b>FTE Positions</b>	<b>69.3</b>	<b>62.6</b>	<b>62.6</b>

**Subprogram Summary**

K-12 ACADEMIC STANDARDS

Sarah Galetti, Deputy Associate Superintendent

Phone: (602) 364-2810

A.R.S. § 15-704, P.L. 107-110

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	103.8	103.8
Other Appropriated Funds	606.9	0.0	0.0
Other Non Appropriated Funds	7,436.7	13,285.2	13,285.2
<b>Total Funding</b>	<b>8,043.6</b>	<b>13,389.0</b>	<b>13,389.0</b>
<b>FTE Positions</b>	<b>23.8</b>	<b>14.5</b>	<b>14.5</b>

- ◆ **Goal 1** To provide training and professional development to improve the effectiveness of standards based teaching and learning

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of LEAs completing ADE-sponsored Mathematics Standards professional development	0	0	35	50	75
Percent of LEAs completing ADE-sponsored ELA Standards professional development	0	0	35	50	75
Percent of K-12 teachers implementing Arizona Common Core standards	0	0	25	50	85
Percentage of teachers reporting expanded content knowledge of K-3 reading instruction as a result of implementing Move On When Reading literacy plans	0	0	0	35	65

**Subprogram Summary**

EARLY CHILDHOOD

Amy Corriveau, Deputy Associate Superintendent

Phone: (602) 542-8706

A.R.S. § 15-715, 15-771, 15-901.02, 15-1251, P.L. 107-110

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	14,391.5	6,245.8	6,245.8
<b>Total Funding</b>	<b>14,391.5</b>	<b>6,245.8</b>	<b>6,245.8</b>
<b>FTE Positions</b>	<b>18.2</b>	<b>18.2</b>	<b>18.2</b>

◆ **Goal 1** To ensure compliance with the Office of Special Education Programs requirements

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Overall customer satisfaction rating	0	0	4.28	4.40	4.50
Percentage of preschool children in general education who made greater than expected gains in acquisition of knowledge and skills by 3%	0	0	69	72	73
Percentage of preschool children with disabilities who are functioning at a level comparable to same-aged peers in positive social-emotional skills by 3%	0	0	64	67	70

**Subprogram Summary**

TITLE III - OELAS

Adela Santa Cruz, Deputy Associate Superintendent

Phone: (602) 542-2337

A.R.S. § 15-241, 15-751-756.01-.13, 15-910, 41-1279.03, P.L. 107-110

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	13,690.3	12,761.9	12,761.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	28,048.5	30,912.0	30,912.0
<b>Total Funding</b>	<b>41,738.8</b>	<b>43,673.9</b>	<b>43,673.9</b>
<b>FTE Positions</b>	<b>27.3</b>	<b>29.9</b>	<b>29.9</b>

◆ **Goal 1** To ensure compliance with State and Federal statutes and regulations along with other contractual obligations

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of annually identified Corrective Action Follow-up LEAs in non-compliance with Federal and State requirements	0	0	69	66	63

◆ **Goal 2** To increase academic gains of students reclassified as FEP

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
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Percent of students reclassified as Fluent English Proficient (FEP)	30	32	34.5	35.5	36.5
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**Program Summary**

ACCOUNTABILITY AND ASSESSMENT

Roberta Alley, Associate Superintendent

Phone: (602) 364-1164

A.R.S. § 15-241, 15-741-15-747, 15-809, P.L. 107-110

**This Program Contains the following Subprograms:**

- ▶ Assessment
- ▶ Adult Education

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	3,222.3	3,218.4	12,507.0
Other Appropriated Funds	3,586.6	7,000.0	2,300.0
Other Non Appropriated Funds	20,094.3	22,809.0	22,809.0
<b>Total Funding</b>	<b>26,903.2</b>	<b>33,027.4</b>	<b>37,616.0</b>
<b>FTE Positions</b>	<b>39.8</b>	<b>42.0</b>	<b>44.0</b>

**Subprogram Summary**

ASSESSMENT

Leila Williams, Deputy Associate Superintendent

Phone: (602) 364-2811

A.R.S. § 15-741 - 15-742, P. L. 107-110

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	3,222.3	3,218.4	7,918.4
Other Appropriated Funds	3,586.6	7,000.0	2,300.0
Other Non Appropriated Funds	8,225.0	10,493.5	10,493.5
<b>Total Funding</b>	<b>15,033.9</b>	<b>20,711.9</b>	<b>20,711.9</b>
<b>FTE Positions</b>	<b>21.8</b>	<b>22.0</b>	<b>22.0</b>

◆ **Goal 1** To develop relevant and accurate instruments to assess all Arizona students

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of AIMS test questions without error on student assessment.	99.9	99.9	99.0	99.0	99.0
Percent of administered AIMS tests that result in a valid score.	99.9	99.9	99.9	99.9	99.9
Customer rating on administration of AIMS and Stanford 10	0	0	4.68	4.7	4.7
Customer rating on administration of AIMS A	0	0	4.49	4.6	4.7
Customer rating on administration of AZELLA	0	0	4.19	4.3	4.5

**Subprogram Summary**

ADULT EDUCATION

Karen Liersch, Deputy Associate Superintendent

Phone: (602) 364-2777

A.R.S. § 15-234, 15-702, P.L. 105-220

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	4,588.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	11,869.3	12,315.5	12,315.5
<b>Total Funding</b>	<b>11,869.3</b>	<b>12,315.5</b>	<b>16,904.1</b>
<b>FTE Positions</b>	<b>18.0</b>	<b>20.0</b>	<b>22.0</b>

◆ **Goal 1** To increase academic achievement of learners age 16 and over

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of learners age 16 and over increasing academic skills by two years	55	61	57	59	60
Percent of learners age 16 and over achieving their goal of earning a High School Equivalency diploma	62	78	57	*	*

**Explanation:** \* Establishing new baseline based on changes in federal reporting requirements.

External customer overall satisfaction rating	0	0	4.21	4.25	4.3
Percent of GED transcript request fulfilled in one business day	0	0	95	95	96

# Department of Emergency and Military Affairs

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Agency Summary

### DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

Major General Hugo E. Salazar, Adjutant General  
 Phone: (602) 267-2717  
 A.R.S. §§ 26-101, 26-111

#### 5-Year Plan: Not Prepared by Agency

#### Mission:

*To promote, protect, and defend the health, safety, peace, and quality of life of the citizens of our communities, state, and nation.*

#### Description:

The Department of Emergency and Military Affairs is divided into three programs: Administration, Emergency Management, and Military Affairs. The Administration program provides overall financial, contracting, personnel, and property management actions. Emergency Management prepares and coordinates emergency response plans for the State. Military Affairs contains the Army National Guard and Air National Guard, each of which develop, train, and sustain a military force for the protection of life and property, preservation of peace, maintenance of order, and public safety. It also administers the Joint Counter Narcotics Task Force.

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ ADMINISTRATION	2,286.3	2,587.8	2,587.8	2,587.8
➤ EMERGENCY MANAGEMENT	17,083.0	20,654.6	19,759.5	18,531.3
➤ MILITARY AFFAIRS	66.8	90.0	90.0	90.0
<b>Agency Total:</b>	<b>19,436.1</b>	<b>23,332.4</b>	<b>22,437.3</b>	<b>21,209.1</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	4,855.7	6,419.8	7,519.8	7,519.8
Other Appropriated Funds	0.0	132.7	132.7	132.7
Other Non Appropriated Funds	14,580.4	16,779.9	14,784.8	13,556.6
<b>Total Funding</b>	<b>19,436.1</b>	<b>23,332.4</b>	<b>22,437.3</b>	<b>21,209.1</b>
<b>FTE Positions</b>	<b>95.6</b>	<b>99.1</b>	<b>99.1</b>	<b>99.1</b>

**Program Summary**

**ADMINISTRATION**

John Burk, Senior Executive Officer  
 Phone: (602) 267-2732  
 A.R.S. § 26-102 C-8

**Mission:**

*To provide leadership and support resources to all elements of the Department.*

**Description:**

The Administration program provides agency-wide direction, oversight and support services. It is responsible for providing resource management, information technology, accounting, personnel and procurement functions for the Department. In addition, it provides oversight to State Active Duty missions and is responsible for the coordination of Federal Funds with the United States Property and Fiscal Officer.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,611.2	1,706.0	1,706.0	1,706.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	675.1	881.8	881.8	881.8
<b>Total Funding</b>	<b>2,286.3</b>	<b>2,587.8</b>	<b>2,587.8</b>	<b>2,587.8</b>
<b>FTE Positions</b>	<b>23.6</b>	<b>26.6</b>	<b>26.6</b>	<b>26.6</b>

◆ **Goal 1** To provide quality and timely support services to our customers.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of weeks to process personnel actions	1	1	1	1	1	1



**Program Summary**

**EMERGENCY MANAGEMENT**

Lou Trammell, Director  
Phone: (602) 231-6245  
A.R.S. § 26-305

**Mission:**

*To coordinate emergency services and the efforts of governmental agencies to reduce the impact of disasters on persons and property in Arizona.*

**Description:**

The program directs and coordinates a statewide Comprehensive Emergency Management program to minimize personal and property losses caused by natural and technological disasters. This is accomplished through numerous preparedness, response, recovery, and mitigation activities and programs.

**This Program Contains the following Subprograms:**

- ▶ Mitigation and Preparedness
- ▶ Response and Recovery

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	3,177.7	4,623.8	5,723.8	5,723.8
Other Appropriated Funds	0.0	132.7	132.7	132.7
Other Non Appropriated Funds	13,905.3	15,898.1	13,903.0	12,674.8
<b>Total Funding</b>	<b>17,083.0</b>	<b>20,654.6</b>	<b>19,759.5</b>	<b>18,531.3</b>
<b>FTE Positions</b>	<b>71.5</b>	<b>71.5</b>	<b>71.5</b>	<b>71.5</b>

**Subprogram Summary**

**MITIGATION AND PREPAREDNESS**

John Dirickson, Assistant Director  
Phone: (602) 231-6264  
A.R.S. § 26-305

**Mission:**

*To reduce or eliminate the loss of life and loss of property due to disaster and to prepare state agencies and local emergency management organizations to respond to, recover from, and mitigate disasters through planning, training and exercise activities.*

**Description:**

The mitigation element integrates several funding programs that reduce repetitive losses caused by disaster by managing structural and non-structural projects that eliminate losses. The mitigation group provides technical assistance to political subdivisions to develop mitigation plans, analyze vulnerabilities and to assess risks to support land use decisions. The preparedness element serves three main functions; technical assistance for the development of state and local emergency operations plans; training for emergency managers, elected officials and first responders; and exercising the capabilities of state and local government. These activities will increase the overall capability to respond to, recover from, and mitigate disasters and thereby reduce the impact of disasters.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	569.4	1,522.5	1,522.5	1,522.5
Other Appropriated Funds	0.0	132.7	132.7	132.7
Other Non Appropriated Funds	10,498.0	12,678.3	11,061.7	10,228.4
<b>Total Funding</b>	<b>11,067.4</b>	<b>14,333.5</b>	<b>12,716.9</b>	<b>11,883.6</b>
<b>FTE Positions</b>	<b>67.5</b>	<b>67.5</b>	<b>67.5</b>	<b>67.5</b>

- ◆ **Goal 1** To reduce loss of life and loss of property from all hazards.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of communities with sustained Disaster Resistant Community Programs	115	117	117	119	119	119

◆ **Goal 2** To increase local emergency management capability through training assistance programs.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of requests for contingency exercise assistance supported	100	100	100	100	100	100

**Subprogram Summary**

RESPONSE AND RECOVERY

Wendy Smith-Reeve, Assistant Director  
Phone: (602) 464-6357  
A.R.S. § 26-306

**Mission:**

*To coordinate the actions of federal, state and local jurisdictions to respond to and recover from disasters.*

**Description:**

This subprogram coordinates the response of state agencies to emergency incidents; administers the Governor's Emergency Fund; and manages post-response recovery efforts to include the acquisition and disbursement of special state appropriations and federal disaster funds, and allocation of resources.

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	2,608.3	3,101.3	4,201.3	4,201.3
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	3,407.3	3,219.8	2,841.3	2,446.4
<b>Total Funding</b>	<b>6,015.6</b>	<b>6,321.1</b>	<b>7,042.6</b>	<b>6,647.7</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

◆ **Goal 1** To reduce human suffering during disasters and enhance community recovery after disaster strikes.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average number of months of community recovery time from declaration of emergency to termination of emergency	19.3	20	13	15	14	12
Customer satisfaction rating for communities served during disasters (Scales 1 - 8)	7.68	7	7.1	7	7	7

## Program Summary

### MILITARY AFFAIRS

Brigadier General Alberto Gonzalez, Assistant Adjutant General, Army

Phone: (602) 267-2717

A.R.S. § 26-113, 26-102 c-8

#### Mission:

To provide the support functions for the Army and Air National Guard to develop, train and sustain a military force capable of supporting national, state, and community interests for the protection of life and property, preservation of peace, maintenance of order and public safety.

#### Description:

The division of Military Affairs has a dual role of providing the support functions (personnel, resource management, procurement and facilities) and leadership and direction to the Army National Guard and Air National Guard.

#### This Program Contains the following Subprograms:

- ▶ Army National Guard
- ▶ Air National Guard
- ▶ Project Challenge

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	66.8	90.0	90.0	90.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>66.8</b>	<b>90.0</b>	<b>90.0</b>	<b>90.0</b>
<b>FTE Positions</b>	<b>0.5</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

## Subprogram Summary

### ARMY NATIONAL GUARD

Brigadier General Alberto Gonzalez, Assistant Adjutant General, Army

Phone: (602) 267-2717

A.R.S. § 26-111

#### Mission:

To develop, train, and sustain a military land force capable of supporting national, state and community interests for the protection of life and property, preservation of peace, maintenance of order and public safety.

#### Description:

The Army National Guard serves a dual mission provided for by the United States Constitution and the A.R.S. as the militia for Arizona. The Governor is the Commander-in-Chief until mobilized by the President of the United States. During emergency operations, the Army National Guard provides logistical and personnel support to other government agencies in response to civil disturbances and natural disasters. When federalized by the President of the United States, the Army National Guard provides trained and ready units in support of any active Army contingency.

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	1,309.4	1,792.5	3,163.7	3,163.7
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	51,746.6	48,112.2	38,150.5	28,113.8
<b>Total Funding</b>	<b>53,056.0</b>	<b>49,904.7</b>	<b>41,314.2</b>	<b>31,277.5</b>
<b>FTE Positions</b>	<b>268.0</b>	<b>294.9</b>	<b>294.9</b>	<b>294.9</b>

◆ **Goal 1** To recruit and retain highly qualified personnel.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of Army National Guard soldiers re-enlisted	85	85	98.3	85	85	85

**Subprogram Summary**

AIR NATIONAL GUARD

Colonel Jill Nelson, Director of Staff

Phone: (602) 267-2458

A.R.S. § 26-113,26-102-c-8

**Mission:**

*To provide our nation's total force with highly trained expeditionary airmen supporting national security objectives through combat readiness and training.*

**Description:**

The Air National Guard Air Operations program consists of the 161st Air Refueling Wing (ARW), 162nd Fighter Wing (FW) and the 107th Air Control Squadron (ACS). The 161st ARW is a refueling tanker task force flying KC-135E aircraft providing aerial refueling support. The 162nd FW trains fighter pilots for the Air National Guard and international student pilots. The 107th ACS provides Air Battle Management training for active duty and reserve components.

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	421.6	622.0	622.0	622.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	9,258.8	8,286.0	8,549.3	8,549.3
<b>Total Funding</b>	<b>9,680.4</b>	<b>8,908.0</b>	<b>9,171.3</b>	<b>9,171.3</b>
<b>FTE Positions</b>	<b>102.5</b>	<b>102.5</b>	<b>102.5</b>	<b>102.5</b>

◆ **Goal 1** To recruit and retain highly qualified personnel.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of Air National Guard soldiers re-enlisted	90	90	90	90	90	90

**Subprogram Summary**

PROJECT CHALLENGE

John Burk, Senior Executive Officer

Phone: (602) 267-2732

A.R.S. § 26-111

**Mission:**

*To provide a military-based, in residence educational program for high school dropouts who desire to succeed.*

**Description:**

Project Challenge is a 17-month program for youth at risk who come from various backgrounds that can include drug addiction, gang activity, dysfunctional families and at-risk parents. Conducted in a quasi-military environment, participants attend classes to complete requirements for a General Equivalency Diploma (GED); and receive guidance and counseling in leadership development, life-coping skills, career exploration and planning, health and hygiene, physical training and conflict resolution. Project Challenge inspires each participant to academically, physically, psychologically, and emotionally excel so that they can function productively in our community.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	2,180.3	22.3	0.0	0.0
<b>Total Funding</b>	<b>2,180.3</b>	<b>22.3</b>	<b>0.0</b>	<b>0.0</b>
<b>FTE Positions</b>	<b>16.0</b>	<b>0.2</b>	<b>0.0</b>	<b>0.4</b>

◆ **Goal 1** To integrate the Arizona National Guard in the youth at risk programs.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of Project Challenge graduates annually	120	150	90	0	150	150
Percentage of Project Challenge graduates either employed or in school within one year of graduation.	95	95	96	0	95	95

# Department of Environmental Quality

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Foreword

It was only a few short years ago that ADEQ faced perhaps its greatest hurdles in its 25 year history. The economic downturn was just beginning, and we, like others in state government, had to make some tough choices in order to maintain our core programs. Reflection on the recent past sets the context for what we are doing today as we rededicate ourselves to the purpose of increasing capacity to fulfill ADEQ's mission – even in the context of fewer resources and the increased demand for our services as the economy expands.

As our state's economy recovers, it is vital that ADEQ stand prepared to support environmentally responsible growth by reducing permit processing time. This will be about cutting waste but not corners. We must further support economic growth by assisting facilities to stay in compliance and avoid the cost and time associated with illegal releases to the environment. We must accelerate clean-ups to reduce the cost and time it takes to restore our impaired land and water so that it is increasingly available to support future development. And we must not forget to enhance the attractiveness of Arizona for all by measurably improving the quality of our air and water. In order to achieve these goals, ADEQ has developed five specific strategies: unleashing our human potential; deploying Lean throughout our organization to eliminate delays and reduce waste; leveraging e-technology for customer and agency efficiency; increase outreach to broaden the reach of our mission; and strengthening our core programs for the future. These goals, strategies and resulting outcome-based performance measures are the subject of this Strategic Plan.

In short, we will embrace our new reality by transforming our operations to become more effective at achieving our mission than we ever were before. As we look beyond this planning horizon and consider our long-term strategic direction, I see ADEQ becoming a national leader in balanced, leading-edge environmental protection. We will be known and respected for the radical simplicity in how we engage with our staff and customers as well as the technical and operational excellence with which we conduct our mission.

Henry R. Darwin  
Director



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## Agency Description

The Arizona Legislature established ADEQ as the state's environmental regulatory agency under the Environmental Quality Act of 1986. ADEQ's mission is to protect and enhance public health and the environment in Arizona. The department achieves this mission by administering the state's environmental laws and delegated federal programs to prevent pollution of the air, water and land, and to ensure clean up of such pollution when it occurs.

***ADEQ Mission: To protect and enhance public health and the environment.***

The Vision of the agency is to lead Arizona and the nation in protecting and enhancing the environment and improving the quality of life for the people of our state. We do this by employing eight Principles and Values:

- We advocate for Arizona's environment.
- We adhere to the highest standards of technical professionalism.
- We commit to the highest standards of ethical behavior.
- We are committed to openness, honesty and transparency.
- We foster relationships built on respect, courtesy and service.
- We value creativity, innovation and performance.
- We turn challenges into opportunities.
- We value our employees and work as a team.

The department is composed of four programs: air quality, water quality, waste, and administration. Together, the programs carry out the core functions of the agency: monitoring and assessment, pollution control, compliance management, clean-ups, policy development, education and outreach.

These core functions are delivered for the citizens of Arizona within the context of the state's unique environment and culture. This means that our service delivery model includes:

- Local accountability and responsiveness to local concerns,
- Transparency and predictability,
- An emphasis on avoiding non-compliance and swift return to compliance rather than punitive actions,
- A deep, technical understanding of our unique Arizona environment and how that impacts implementation of state and federal regulations.

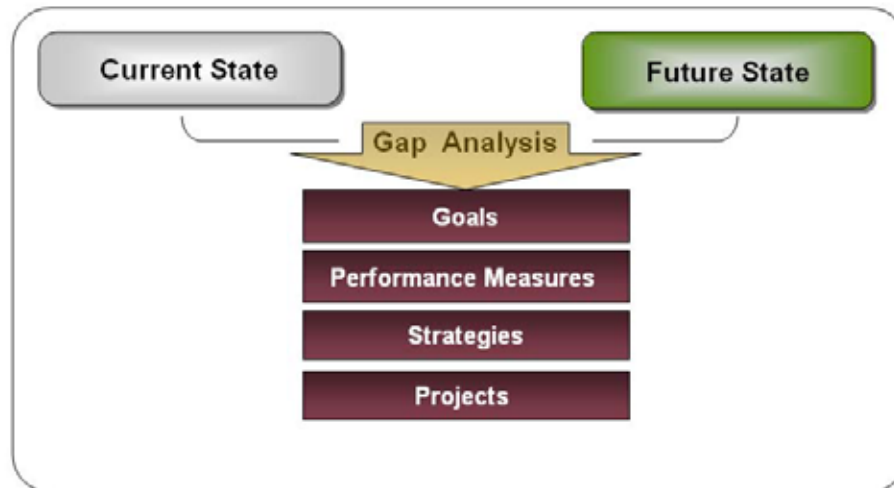
## Strategic Planning Process

The planning process began with an honest assessment of our recent past and our current reality. In addition to being brutally honest about our current performance, we looked at ADEQ’s ecosystem as an organization – an ecosystem that includes a variety of perspectives and demands that influence our vital mission.

By looking at both our current performance and our ecosystem we developed an in-context view of the current state of ADEQ. For example, this Strategic Plan is heavily informed by external stakeholder feedback and the results of the Appreciative Inquiry exercise we conducted with staff in 2011\*. ADEQ leadership meets regularly with staff, the regulated community, citizen groups, and representatives from both the executive and legislative branches of government. This continuity of contact allows ADEQ to better understand our stakeholders’ desires and how decisions we make may impact them.



Figure 1 – ADEQ Ecosystem



Next we envisioned our desired future, a future that is rooted in our Mission and Vision and supported by our Values and Principles. We looked at the future in near term and long term planning horizons. These planning horizons are the final ingredients in our overall strategic direction described above. The near term planning horizon is the subject of this Strategic Plan, has a time period of 5 years, and is the basis for our goals, strategies, and performance measures. The long term planning horizon, which extends beyond 5 years, is not addressed in this document but sharpens our view of what is required in the near term to build the long term future.

\* Appreciative Inquiry is a survey approach that focuses on what works in an organization. The tangible result of the inquiry is a series of statements that describe where the organization wants to be, based on the high moments of where we have been.

Similar to our process for assessing the current state, the future state was heavily informed by feedback received from various groups within our ecosystem. For example, “the dream ADEQ” as described by staff during the Appreciative Inquiry process was a significant consideration. We also made certain to align with state-wide planning efforts such as the *Governor’s Four Corners of Reform* plan and the *Arizona Department of Administration’s Strategic Plan*. Seeking organizational alignment in this way promotes efficiency by fully leveraging existing state-wide initiatives and avoiding duplication of efforts. Most importantly, we took careful note of what customers told us they value and what citizens expect as outcomes.

Once the current and future state was clearly understood, we performed a gap analysis and identified solutions to bridge the gap. Through an iterative and interactive process, goals, strategies, and projects were developed that will lead us to our desired future state. Our success in accomplishing our goals will be measured through performance measures that we intentionally designed to be based on outcomes, rather than activities or inputs.

### **ADEQ Goals**



**Figure 3 – The Planning Process in Action**

The key concepts behind ADEQ’s 5-year planning horizon can be summarized in three simple goals that apply to the three environmental programs (air quality, water quality, and waste programs):

- Support environmentally responsible economic growth;
- Enhance Arizona’s unique environment; and
- Accelerate cleanups.

One additional goal is included for the administrative program: *fully support and champion the ADEQ mission.*

The number of goals and their simplicity were developed to provide clarity for every aspect of our work. Every performance measure, strategy, project and activity that agency management promotes or supports should align with these goals. Further, every staff member throughout the agency should be able to answer for themselves questions like, “How does my work support environmentally responsible economic growth?” or “How can I work more effectively to enhance Arizona’s unique environment?”

### **Outcome-Based Performance Measures**

During the planning process ADEQ leadership reviewed previous performance measures and noticed that a large number were tactical in nature and were often far-removed from directly measuring the success of the mission. Many were based on mission inputs or activities rather than true outcomes. This is not atypical because outcomes are often difficult to measure and have a greater number of uncontrolled variables. However, the success of ADEQ, just like any organization (public, private, non-profit), relies on

producing favorable outcomes for two groups: end-users (or customers) and investors (or donors or taxpayers). Consequently, ADEQ leadership undertook a redesign of our performance measures to track success through two primary lenses: what customers (end users) value and what taxpayers (citizens) demand. The table below illustrates the redesign effort.

Table 1 – Performance Measure Development				
Mission function	End-user products or service	What does the end-user value about that product or service?	What outcomes do the citizens want?	How can we measure our success towards our goals in terms of end-user value and/or citizen outcomes?
Permitting	Approved permit	Timeliness; clarity; consistency	Protection of air (or water or land) without impeding economic growth	Reduce time to make protective permitting decisions by 50% over 5 years.
Monitoring	Monitoring reports	Information: is the air (or water) healthy?	Cleaner air (or water)	Improved air (or water) quality in at least 50% of the monitored air (or waters) of the State over 5 years

Performance measures were similarly developed for every major function in ADEQ. Where possible, performance measures were adopted across programs for consistency. In previous fiscal years ADEQ had 72 performance measures including Arizona Integrated Planning System measures, internal measures, and Consolidated Ledger of Information on Federal Funds (CLIFF) measures. For this planning horizon, ADEQ has developed 25 measures related to our goals. The performance measures associated with each goal are shown in Table 2 on the next page.



Figure 4 – Performance Measure Development

**Table 2 – Goals and Outcome Based Performance Measures**

Goals	Performance Measure (PM) Related to End-User Value or Citizen Outcomes	Program(s)
Support environmentally responsible economic growth	<p><b>PM:</b> Reduce time to make permitting decisions by 40% over 5 years</p> <p><b>PM:</b> Reduce time to make permitting decisions by 50% over 5 years</p> <p><b>PM:</b> Triple participation in voluntary stewardship programs over 5 years</p> <p><b>PM:</b> Present exceptional event documentation to EPA within 180 days of event</p> <p><b>PM:</b> 95% of exceptional event submittals (approved by EPA) over 5 years</p> <p><b>PM:</b> Reduce return to compliance timeframe by 50% over 5 years</p> <p><b>PM:</b> Increase number of facilities in compliance at the time of inspection by 50% over 5 years</p> <p><b>PM:</b> Reduce the amount of waste per capita sent to landfills by 10% over 5 years</p> <p><b>PM:</b> Increase the number of vehicles in compliance at the time of emissions inspection by 50% over 5 years</p> <p><b>PM:</b> Customer satisfaction rating from citizens</p> <p><b>PM:</b> Percentage of statutorily set permit timeliness met through License Time Frames</p>	<p>Waste</p> <p>Air, Water</p> <p>Air, Water, Waste</p> <p>Air</p> <p>Air</p> <p>Air, Water, Waste</p> <p>Air, Water, Waste</p> <p>Waste</p>
Enhance Arizona's unique environment	<p><b>PM:</b> 50% of air quality monitors with data demonstrating improving trend</p> <p><b>PM:</b> Improved water quality in 50% of monitored waters of the State over 5 years</p>	<p>Air</p> <p>Water</p>
Accelerate Cleanups	<p><b>PM:</b> Reduce document review time in Voluntary Remediation Program (VRP) by 30% over 5 years</p> <p><b>PM:</b> Increase percentage of contaminated sites requiring no further action vs. known universe of sites in Waste Programs (VRP, Underground Storage Tanks [UST] and Water Quality Assurance Revolving Fund [WQARF])</p> <p><b>PM:</b> Reduce total time to implement (begin) final remedy by 30% in UST and WQARF over 5 years</p> <p><b>PM:</b> Reduce total time required for a Brownfield property to be available for productive use by 25% over 5 years</p>	<p>Waste</p>
Fully support and champion ADEQ's mission	<p><b>PM:</b> 100% availability of critical services from 7:00 AM to 5:00 PM</p> <p><b>PM:</b> 95% of payable invoices paid within 30 calendar days</p> <p><b>PM:</b> 90% of accounts receivable within 10 days of due date</p> <p><b>PM:</b> Generate yearly report that clearly links budget to state-wide priorities, ADEQ plans, and customer and/or citizen outcomes</p> <p><b>PM:</b> Reduce the total elapsed time from purchase requisition to time the goods/services are received by 40% over 5 years</p> <p><b>PM:</b> Reduce the total time from initial records request to availability of records by 30% over 5 years</p> <p><b>PM:</b> Reduce voluntary attrition rate to less than 10% in 5 years</p>	<p>Admin</p>
All Goals	<p><b>PM:</b> Substantial (75% or better) adherence to Federal Grant Work Plans (CLIFF)</p>	<p>All</p>

## Strategic Issues

In order to accomplish the Agency’s goals as measured by the performance measures above, strategies were developed to address key challenges of our current state. Table 3 presents each key challenge and the goal or goals that it affects, and the opportunities and strategies developed by ADEQ.

Table 3 – Strategic Issues			
Key Challenges	Affected Goal(s)	Opportunity	Strategy
Stakeholders are dissatisfied with the timeframes associated with permitting and worry about ADEQ’s ability to be responsive if economic conditions improve and the demand for permits and other services increases.	Support environmentally responsible economic growth	Use well-established continuous improvement techniques to work better, faster, and cheaper.	Deploy Lean
Stakeholders are dissatisfied with the timeframes associated with clean-up.	Accelerate Cleanups		
Aging computer infrastructure and software is limiting our productivity. Stakeholders are requesting better electronic tools for permitting, reporting, and transparency.	Fully support and champion ADEQ’s Mission; Support environmentally responsible economic growth	Use program-related savings and appropriation authority for technology upgrades.	Leverage E-Technology
A combination of reductions in force, layoffs, depleted training opportunities, static / reduced wages, a lack of viable career paths, and outdated management systems have resulted in a failure to fully leverage ADEQ’s human potential.	All goals	Leverage Personnel Reform and recommendations from the Appreciative Inquiry to engage staff and train managers.	Unleash Human Potential
Necessity of focusing on and maintaining core programs has resulted in the reduced outreach efforts which in turn reduce our visibility and our effectiveness in release and pollution prevention.	Support environmentally responsible economic growth; Enhance Arizona’s unique environment	Develop and deploy the Voluntary Stewardship Program; reinvigorate functions that were previously unfunded / under-funded by utilizing savings and appropriation authority.	Increase Outreach
ADEQ’s General Fund appropriation has been eliminated. ADEQ is now funded through fees and federal grants. The current fee structure is insufficient to fully fund the Agency’s core functions.	All goals	Partner with stakeholders to fully implement fee for service model.	Strengthen Core Programs

The strategies discussed in Table 3 are synergistic in that they affect multiple goals and performance measures simultaneously. The following describes each strategy and the specific projects that support it.

### **Unleash Human Potential**

Our most important strategy is founded in this very simple fact: like every knowledge based organization, ADEQ is only as capable as its ability to develop and deploy its human potential. This strategy is at the heart of the transformation that ADEQ desires. In addition to the projects listed below, the Director's Office has issued explicit guidance stating that although management *decisions* will always involve the chain of command, internal *communications* are never to be limited by the chain of command or organization chart; that blame is wasteful and is to be avoided; and that staff are encouraged to ask great questions and identify waste. The projects associated with this strategy include:

- Use employee input during the strategic planning process
- Conduct a skills inventory and deploy a tool for cross-training and cross-utilization
- Develop and implement a relevant technical training program for staff
- Assist ADOA in developing a better employee performance review system
- Partner with ADOA to develop better career paths for ADEQ employees
- Partner with ADOA to develop a better performance-based compensation structure for ADEQ employees
- Produce addendum to ADOA state-wide employee handbook for ADEQ's unique work environment
- Assist ADOA in developing better supervisor training
- Conduct leadership training for section managers and above (including training on change management and motivation)

### **Deploy Lean**

Lean is a system of principles and tools often associated with success in the private sector that focuses on increasing value by reducing waste. The two pillars of Lean are continuous improvement and respect for people. This strategy not only impacts several goals, it also enhances the strategy to unleash human potential by engaging front-line workers in every process improvement initiative. The projects associated with this strategy include:

- Lean Awareness Training for all ADEQ staff
- Fundamentals of Process Improvement training for select staff
- Staff Workouts to identify opportunities to increase value and eliminate waste throughout ADEQ
- APP Process Improvement
- Title V Process Improvement
- Permits service family evaluation to leverage lessons learned on APP and Title V across all permits
- UST State Lead Procurement Process Improvement
- WQARF Process Improvement
- UST Corrective Action Process Improvement
- Compliance & Enforcement Process Improvement

### **Leverage E-Technology**

Technology can serve as an accelerator to many of the core processes of the agency. ADEQ will increasingly leverage technology to increase transparency, end-user convenience, and staff productivity. It is important to note that ADEQ will use a *process first, technology second* approach. The projects associated with this strategy include:

- Hardware and software refresh
- Develop e-general permitting, e-reporting and e-notification tools
- Development of an e-portal where regulated facilities will be able to conduct business with ADEQ through the web
- Finish and deploy the revenue, invoicing and collection system (RICS) to replace the existing outdated system
- Prepare a 5-year Technology Roadmap
- Deploy tool to track employee work time and tasks (Time Tracking)
- Transition Permit Compliance System (PCS) to the Integrated Compliance Information System (ICIS)

### **Increase Outreach**

Given that Arizona's unique environment is shared by all, ADEQ must increase its outreach in order to be increasingly effective. Our role is not only to enforce environmental regulations but also to prevent violations and releases through education, partnerships, and alliances with the public, businesses, and citizen groups. The projects associated with this strategy include:

- Voluntary Stewardship Program
- Small Communities Environmental Compliance Assistance Program
- Proliferation of School Chemical Cleanout Program
- Produce ADEQ 25th Year Anniversary Brochure
- Renew Agency Annual Reporting based on 25th Year Anniversary Brochure
- Produce ADEQ instructional videos to be posted online
- Emerging contaminants stakeholder process
- Enhance Arizona Border Trash web site
- Stakeholder process for UST Financial Assurance
- Stakeholder process to redevelop ADEQ's recycling program
- Stakeholder process to identify permanent funding for the UST Program
- Conduct additional stakeholder meetings before making decisions or undertaking initiatives with broad impact

### **Strengthen Core Programs**

Fully implementing our fee-for-service model is crucial to administering the state's environmental laws and delegated federal programs at the State level. In addition, ADEQ must identify stable revenue sources to fund vital operations not supported by fees or federal grants. We must also re-invigorate functions that have been delayed due to funding shortfalls and continue to lead in areas of environmental management systems and continuity of operations. The projects associated with this strategy include:

- Participate in Agency Fee Commission review of ADEQ funding
- Safe Drinking Water Act fees



- Renew recycling support and funding
- Continuity of operations plan (COOP) consistent with statewide priorities and direction
- Long-term underground storage tank funding
- Implement senate bill (SB 1280) for municipal stormwater programs
- Agency-wide environmental management system (EMS) development and deployment
- Enhance pollution prevention (P<sup>2</sup>) program
- Stakeholder process for triennial review of surface water quality standards

Each project listed above has a project plan that includes major milestones, specific success measures, a project team including an executive sponsor, a schedule and cost.

### **Additional Team Metrics**

In order to provide line-of-site connectivity between the agency-level mission, goals and performance measures, each team or unit will develop a list of key metrics that feed upward to the performance measures. Each outcome-based performance measure may require successful activity from several teams. The team-level metrics are metrics that the team largely controls (e.g. how long it takes to conduct a particular type of review). The performance measures, on the other hand, require controllable performance as well as leadership and influence (e.g. an executive-level meeting between a facility executive and ADEQ leadership to resolve a dispute over permit conditions). These relationships are illustrated in Figure 5. Accountability for the team-level metrics resides with the team or unit and accountability for the performance measures starts at the Section Manager level and ends with the Director. This design intentionally requires that the agency’s leadership function as obstacle removers, innovators, and process improvers.



**Figure 5 – Strategic Relationships**

## Next Step

Like other continuously improving organizations, ADEQ plans to apply a very simple model that has been used successfully for decades: Plan – Do – Check – Act, also referred to as the Deming cycle in honor of W. Edwards Deming. The model shown in Figure 6 illustrates that ADEQ’s success will not be a function of executing a single grandiose and perfect plan. Nor will our success be a function of haphazardly changing processes until something works. Rather, our success will be a function of thoughtful planning,

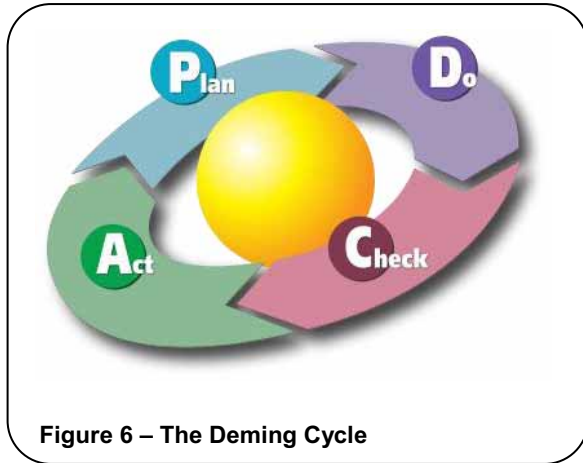


Figure 6 – The Deming Cycle

disciplined execution of the current plan, collecting data to see if the current plan is working, and taking action if it is not. Taking action requires starting the cycle all over again.

Under this model, we expect problems to occur and those problems will be the gateway to further improvement. When coupled with a blame-free environment, honest discovery and disclosure of problems will provide a fly-wheel of improvements throughout ADEQ just like it would in any organization.

This strategic plan has been developed over the course of several months and summarizes many hours of planning and discussions including specific feedback from staff. Going forward we will execute this plan and measure our performance with discipline. During the execution and measurement of *this* plan we expect to discover problems...problems that we will act on by carefully developing the *next* plan.

## Resource Assumptions

The resource assumptions required to support this Strategic Plan are shown in Table 4 on the following page. Resource assumptions include the number of full-time equivalent positions and budgetary data, including all funding sources and the relevant fiscal years.

**Table 4 – Agency Level Resource Assumptions**

	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY2015 Budget Request or Estimate</b>	<b>FY2016 Estimate</b>	<b>FY2017 Estimate</b>	<b>FY2018 Estimate</b>
Full-time-equivalent (FTE) Positions	617.5	620.5	620.5	620.5	620.5	620.5
General Fund*	7,000.0	15,000.0	15,000.0	15,000.0	15,000.0	15,000.0
Other Appropriated Fund	68,481.2	79,342.3	79,342.3	79,342.3	79,342.3	79,342.3
Non-Appropriated Funds	42,543.6	42,543.6	42,543.6	42,543.6	42,543.6	42,543.6
Federal Funds	16,539.5	16,539.5	16,539.5	16,539.5	16,539.5	16,539.5
Total Agency Funds	134,564.3	153,425.4	153,425.4	153,425.4	153,425.4	153,425.4

\*A.R.S. § 49-282 requires an annual \$15,000,000 transfer from the Corporate Income Tax to the Water Quality Assurance Revolving Fund. Because this fund is specific to WQARF and is not available for the general operations of ADEQ, the above narrative does not consider it to be General Fund.

## Agency Summary

### DEPARTMENT OF ENVIRONMENTAL QUALITY

Henry R. Darwin, Director  
 Phone: (602) 771-2204  
 A.R.S. §§ 49-101 et seq.

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ ADMINISTRATION	12,191.0	13,815.0	13,815.0	13,815.0
➤ AIR	38,655.9	44,087.4	54,087.4	54,087.4
➤ WASTE	34,384.1	51,025.9	59,887.0	59,887.0
➤ WATER	19,753.3	25,636.0	25,636.0	25,636.0
<b>Agency Total:</b>	<b>104,984.3</b>	<b>134,564.3</b>	<b>153,425.4</b>	<b>153,425.4</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	7,000.0	7,000.0	15,000.0	15,000.0
Other Appropriated Funds	53,522.0	68,481.2	79,342.3	79,342.3
Other Non Appropriated Funds	44,462.3	59,083.1	59,083.1	59,083.1
<b>Total Funding</b>	<b>104,984.3</b>	<b>134,564.3</b>	<b>153,425.4</b>	<b>153,425.4</b>
<b>FTE Positions</b>	<b>695.0</b>	<b>617.5</b>	<b>620.5</b>	<b>620.5</b>

**Program Summary**

ADMINISTRATION

Henry R. Darwin, Director  
 Phone: (602) 771-2204  
 A.R.S. §§ 49-101 to 49-1106

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	11,425.3	13,008.7	13,008.7	13,008.7
Other Non Appropriated Funds	765.7	806.3	806.3	806.3
<b>Total Funding</b>	<b>12,191.0</b>	<b>13,815.0</b>	<b>13,815.0</b>	<b>13,815.0</b>
<b>FTE Positions</b>	<b>125.0</b>	<b>98.0</b>	<b>98.0</b>	<b>98.0</b>

◆ **Goal 1** To fully support and champion delivery of ADEQ's mission

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of statutorily set permit timelines met through License Time Frame rule.	99.0	100.0	99.3	99.5	99.5	99.5
Reduce Voluntary Attrition Rate to less than 10% in 5 years.	0	0	N/A	11.0	10.0	9.0
<b>Explanation:</b> Reduce Voluntary Attrition Rate to less than 10% in 5 years.						
Generate yearly report that clearly links budget to state-wide priorities, ADEQ plans, and customer and/or citizen outcomes.	0	0	N/A	1.0	1.0	1.0
<b>Explanation:</b> Generate yearly report linking budget to priorities, plans, and customer and/or citizen outcomes.						
To pay 95% of invoices payable within 30 calendar days.	0	0	N/A	95.0	95.0	95.0
<b>Explanation:</b> To pay 95% of Invoices payable within 30 calendar days.						
Receive 90% of Accounts Receivable within 10 days of due date.	0	0	N/A	90.0	90.0	90.0
<b>Explanation:</b> Receive 90% of Accounts Receivable within 10 days of due date.						
Reduce total elapsed time from Purchase Requisition to goods and services received by 40% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
<b>Explanation:</b> Reduce requisition processing time by 40% in 5 years.						
Reduce the total time from initial records request to availability of records by 30% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
<b>Explanation:</b> Reduce the total time from initial records request to availability of records by 30% over 5 years.						
99.9% availability of critical services from 7:00 a.m. to 5:00 p.m.	0	0	N/A	99.9	99.9	99.9
<b>Explanation:</b> 99.9% availability of critical services from 7:00 a.m. to 5:00 p.m.						

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◆ **Goal 2** To provide value to all of Arizona

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Customer satisfaction rating for citizens (scale of 1-8)	7.6	N/A	N/A	7.6	7.7	7.8

◆ **Goal 3** To provide leadership on children's environmental health

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Continue to implement the action plan to integrate children's environmental health issues into ADEQ programs.	100.0	100.0	100.0	N/A	N/A	N/A

**Program Summary**

AIR

Eric Massey, Air Quality Division Director  
 Phone: (602) 771-2288  
 A.R.S. §§ 49-401 to 49-593

**This Program Contains the following Subprograms:**

- ▶ Air Quality Management and Analysis
- ▶ Vehicle Emissions Control

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	34,868.8	38,972.2	48,972.2	48,972.2
Other Non Appropriated Funds	3,787.1	5,115.2	5,115.2	5,115.2
<b>Total Funding</b>	<b>38,655.9</b>	<b>44,087.4</b>	<b>54,087.4</b>	<b>54,087.4</b>
<b>FTE Positions</b>	<b>140.4</b>	<b>127.8</b>	<b>130.8</b>	<b>130.8</b>

**Subprogram Summary**

AIR QUALITY MANAGEMENT AND ANALYSIS

Eric Massey, Air Quality Division Director  
 Phone: (602) 771-2288  
 A.R.S. §§ 49-401 to 49-593

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	7,746.7	13,670.2	23,670.2	23,670.2
Other Non Appropriated Funds	3,787.1	5,115.2	5,115.2	5,115.2
<b>Total Funding</b>	<b>11,533.8</b>	<b>18,785.4</b>	<b>28,785.4</b>	<b>28,785.4</b>
<b>FTE Positions</b>	<b>111.4</b>	<b>100.8</b>	<b>103.8</b>	<b>103.8</b>

◆ **Goal 1** To enhance Arizona's unique environment

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
50% of air quality monitors with data demonstrating an improving trend over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0

**Explanation:** 50% of air quality monitors with data demonstrating an improving trend over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.

◆ **Goal 2** To support environmentally responsible economic growth

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Reduce time to make permitting decision by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
<b>Explanation:</b> Reduce time to make permitting decision by 50% over 5 years.						
Reduce return to compliance timeframe by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
<b>Explanation:</b> Reduce return to compliance timeframe by 50% over 5 years.						
Increase the number of facilities in compliance at the time of inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
<b>Explanation:</b> Increase the number of facilities in compliance at the time of inspection by 50% over 5 years.						
Present Exceptional Event documentation to EPA within 180 days of event. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	25.0	50.0	75.0
<b>Explanation:</b> Present Exceptional Event documentation to EPA within 180 days of event.						
95% of Exceptional Event submittals approved by EPA over 5 years.	0	0	N/A	95.0	95.0	95.0
<b>Explanation:</b> 95% of Exceptional Event submittals approved by EPA over 5 years.						

◆ **Goal 3** To provide value to all of Arizona

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percentage of customers satisfied with Air Quality Programs	95.9	92.5	92.9	N/A	N/A	N/A

◆ **Goal 4** To improve the quality of Arizona's air, land and water

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of days per year exceeding National Ambient Air Quality Standards (NAAQS) for Ozone (O3), Carbon Monoxide (CO), or Particulates (PM10).	0.0	9.0	15.0	N/A	N/A	N/A
Number of non-attainment areas exceeding national ambient air quality standards.	0	5	3.0	N/A	N/A	N/A

**Subprogram Summary**

VEHICLE EMISSIONS CONTROL

Eric Massey, Air Quality Division Director  
 Phone: (602) 771-2288  
 A.R.S. §§ 49-401 to 49-593



<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	27,122.1	25,302.0	25,302.0	25,302.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>27,122.1</b>	<b>25,302.0</b>	<b>25,302.0</b>	<b>25,302.0</b>
<b>FTE Positions</b>	<b>29.0</b>	<b>27.0</b>	<b>27.0</b>	<b>27.0</b>

◆ **Goal 1** To enhance Arizona's unique environment

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
50% of air quality monitors with data demonstrating an improving trend. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0

**Explanation:** 50% of air quality monitors with data demonstrating an improving trend.

◆ **Goal 2** To support environmentally responsible economic growth

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Increase the number of vehicles in compliance at the time of emissions inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0

**Explanation:** Increase the number of vehicles in compliance at the time of emissions inspection by 50% over 5 years.

◆ **Goal 3** To improve the quality of Arizona's air, land and water

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of vehicles that have failed inspection and later brought into compliance (in thousands)	125.8	145.0	183.9	N/A	N/A	N/A

**Program Summary**

WASTE

Amanda Stone, Waste Programs Division Director  
 Phone: (602) 771-4567  
 A.R.S. §§ 49-701 to 49-973

**This Program Contains the following Subprograms:**

- ▶ Waste Control and Management
- ▶ Underground Storage Tank
- ▶ Remediation

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	7,000.0	7,000.0	15,000.0	15,000.0
Other Appropriated Funds	1,814.2	4,306.4	5,167.5	5,167.5
Other Non Appropriated Funds	25,569.9	39,719.5	39,719.5	39,719.5
<b>Total Funding</b>	<b>34,384.1</b>	<b>51,025.9</b>	<b>59,887.0</b>	<b>59,887.0</b>
<b>FTE Positions</b>	<b>211.5</b>	<b>200.5</b>	<b>200.5</b>	<b>200.5</b>

**Subprogram Summary**

WASTE CONTROL AND MANAGEMENT

Amanda Stone, Waste Programs Division Director  
 Phone: (602) 771-4567  
 A.R.S. §§ 49-701 to 49-973

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,814.2	4,284.4	5,145.5	5,145.5
Other Non Appropriated Funds	2,944.0	3,589.9	3,589.9	3,589.9
<b>Total Funding</b>	<b>4,758.2</b>	<b>7,874.3</b>	<b>8,735.4</b>	<b>8,735.4</b>
<b>FTE Positions</b>	<b>84.1</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>

◆ **Goal 1** To support environmentally responsible economic growth

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Reduce time to make permitting decision by 40% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0

**Explanation:** Reduce time to make permitting decision by 40% over 5 years.

Reduce return to compliance timeframe by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
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**Explanation:** Reduce return to compliance timeframe by 50% over 5 years.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Increase the number of facilities in compliance at the time of inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
<b>Explanation:</b> Increase the number of facilities in compliance at the time of inspection by 50% over 5 years.						
Reduce the amount of waste per capita sent to landfills by 10% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	0.0	3.0	6.0
<b>Explanation:</b> Reduce the amount of waste per capita sent to landfills by 10% over 5 years.						
Triple participation in voluntary stewardship programs over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	150.0	175.0	200.0
<b>Explanation:</b> Triple participation in voluntary stewardship programs over 5 years.						

◆ **Goal 2** To accelerate cleanups

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of contaminated sites in Waste Programs Division closed requiring no further action (cumulative) versus known universe of contaminated sites in the Waste Programs Division (cumulative)	89.8	84.5	89.9	88.0	88.2	88.5
Reduce total time until the (brownsfield) property is determined to be available for productive use by 25% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	5.0	10.0	15.0
<b>Explanation:</b> Reduce total time until the (brownsfield) property is determined to be available for productive use by 25% over 5 years.						

◆ **Goal 3** To provide value to all of Arizona

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percentage of customers satisfied with Waste Programs Division	100.0	92.5	96.8	N/A	N/A	N/A

◆ **Goal 4** To enhance relationships with the public, regulated community and agency partners

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Make final decision on one Treatment Storage and Disposal (TSD) permit application annually.	1.0	1.0	1.0	N/A	N/A	N/A

**Subprogram Summary**

**UNDERGROUND STORAGE TANK**

Amanda Stone, Waste Programs Division Director  
 Phone: (602) 771-4567  
 A.R.S. §§ 49-1001 to 49-1093

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	22.0	22.0	22.0
Other Non Appropriated Funds	11,321.5	20,185.7	20,185.7	20,185.7
<b>Total Funding</b>	<b>11,321.5</b>	<b>20,207.7</b>	<b>20,207.7</b>	<b>20,207.7</b>
<b>FTE Positions</b>	<b>75.2</b>	<b>61.5</b>	<b>61.5</b>	<b>61.5</b>

◆ **Goal 1** To accelerate clean ups

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Reduce total time to implement (begin) final remedy by 30% in UST over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	5.0	10.0	20.0

**Explanation:** Reduce total time to implement (begin) final remedy by 30% in UST over 5 years.

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)	0	0	89.9	88.0	88.2	88.5
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◆ **Goal 2** To improve the quality of Arizona's air, land and water

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of site characterization reports, corrective action plans, workplans, closure requests, and determination or confirmation of a release responded to within 120 calendar days.	97.9	90.0	96.7	N/A	N/A	N/A

**Subprogram Summary**

**REMEDATION**

Amanda Stone, Waste Programs Division Director  
 Phone: (602) 771-4567  
 A.R.S. §§ 49-701 to 49-973

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	7,000.0	7,000.0	15,000.0	15,000.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	11,304.4	15,943.9	15,943.9	15,943.9
<b>Total Funding</b>	<b>18,304.4</b>	<b>22,943.9</b>	<b>30,943.9</b>	<b>30,943.9</b>
<b>FTE Positions</b>	<b>52.2</b>	<b>69.0</b>	<b>69.0</b>	<b>69.0</b>

◆ **Goal 1** To accelerate clean ups

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Reduce total time to implement (begin) final remedy by 30% in WQARF over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	5.0	10.0	20.0

**Explanation:** Reduce total time to implement (begin) final remedy by 30% in WQARF over 5 years.

Reduce document review time in the Voluntary Remediation Program by 30% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	5.0	10.0	20.0
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**Explanation:** Reduce document review time in the Voluntary Remediation Program by 30% over 5 years.

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)	0	0	89.9	88.0	88.2	88.5
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**Explanation:** Percent of contaminated sites closed requiring no further action (cumulative) versus known universe of contaminated sites

◆ **Goal 2** To improve the quality of Arizona's air, land and water

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Reduce the number of contaminated sites in the Waste Program by initiating response actions at Water Quality Assurance Revolving Fund (WQARF) sites.	3.0	2.0	1.0	N/A	N/A	N/A

**Program Summary**

WATER

Mike Fulton, Water Quality Division Director  
 Phone: (602) 771-2303  
 A.R.S. §§ 49-201 to 49-391

**This Program Contains the following Subprograms:**

- ▶ Underground Water Regulation
- ▶ Surface Water Regulation
- ▶ Drinking Water Regulation

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	5,413.7	12,193.9	12,193.9	12,193.9
Other Non Appropriated Funds	14,339.6	13,442.1	13,442.1	13,442.1
<b>Total Funding</b>	<b>19,753.3</b>	<b>25,636.0</b>	<b>25,636.0</b>	<b>25,636.0</b>
<b>FTE Positions</b>	<b>218.1</b>	<b>191.2</b>	<b>191.2</b>	<b>191.2</b>

**Subprogram Summary**

UNDERGROUND WATER REGULATION

Mike Fulton, Water Quality Division Director  
 Phone: (602) 771-2303  
 A.R.S. §§ 49-201 to 49-391

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	3,952.8	6,055.9	6,055.9	6,055.9
Other Non Appropriated Funds	1,288.1	844.0	844.0	844.0
<b>Total Funding</b>	<b>5,240.9</b>	<b>6,899.9</b>	<b>6,899.9</b>	<b>6,899.9</b>
<b>FTE Positions</b>	<b>69.3</b>	<b>57.7</b>	<b>57.7</b>	<b>57.7</b>

◆ **Goal 1** To enhance Arizona's unique environment

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Improved water quality in 50% of the monitored waters of the state over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0

**Explanation:** Improved water quality in 50% of the monitored waters of the state over 5 years.

◆ **Goal 2** To support environmentally responsible economic growth

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Reduce time to make permitting decision by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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**Explanation:** Reduce time to make permitting decision by 50% over 5 years.

Reduce return to compliance timeframe by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
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**Explanation:** Reduce return to compliance timeframe by 50% over 5 years.

Increase the number of facilities in compliance at the time of inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
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**Explanation:** Increase the number of facilities in compliance at the time of inspection by 50% over 5 years.

◆ **Goal 3** To improve the quality of Arizona's air, land and water

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Number of permit actions for existing groundwater protection permits for mining facilities during each fiscal year.	1.0	1.0	0	N/A	N/A	N/A
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◆ **Goal 4** To provide value to all of Arizona

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Percent of customers satisfied with Water Quality Division.	98.6	92.5	99.3	N/A	N/A	N/A
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### Subprogram Summary

#### SURFACE WATER REGULATION

Mike Fulton, Water Quality Division Director

Phone: (602) 771-2303

A.R.S. §§ 49-201 to 49-391

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	716.6	3,022.6	3,022.6	3,022.6
Other Non Appropriated Funds	7,806.8	5,989.3	5,989.3	5,989.3
<b>Total Funding</b>	<b>8,523.4</b>	<b>9,011.9</b>	<b>9,011.9</b>	<b>9,011.9</b>
<b>FTE Positions</b>	<b>99.8</b>	<b>73.2</b>	<b>73.2</b>	<b>73.2</b>

◆ **Goal 1** To support environmentally responsible economic growth

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Reduce time to make permitting decision by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
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**Explanation:** Reduce time to make permitting decision by 50% over 5 years.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Reduce return to compliance timeframe by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0

**Explanation:** Reduce return to compliance timeframe by 50% over 5 years.

Increase the number of facilities in compliance at the time of inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
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**Explanation:** Increase the number of facilities in compliance at the time of inspection by 50% over 5 years.

◆ **Goal 2** To enhance Arizona's unique environment

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Improved water quality in 50% of the monitored waters of the state over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0

**Explanation:** Improved water quality in 50% of the monitored waters of the state over 5 years.

◆ **Goal 3** To improve the quality of Arizona's air, land, and water.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Annually, attain significant compliance rate of 90 percent for discharge limitations among major surface water dischargers as determined by monitoring data and physical inspection.	94.0	90.0	91.3	N/A	N/A	N/A

**Subprogram Summary**

DRINKING WATER REGULATION

Mike Fulton, Water Quality Division Director  
 Phone: (602) 771-2303  
 A.R.S. §§ 49-201 to 49-391

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	744.3	3,115.4	3,115.4	3,115.4
Other Non Appropriated Funds	5,244.7	6,608.8	6,608.8	6,608.8
<b>Total Funding</b>	<b>5,989.0</b>	<b>9,724.2</b>	<b>9,724.2</b>	<b>9,724.2</b>
<b>FTE Positions</b>	<b>49.0</b>	<b>60.3</b>	<b>60.3</b>	<b>60.3</b>

◆ **Goal 1** To support environmentally responsible economic growth

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Reduce time to make permitting decision by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
<b>Explanation:</b> Reduce time to make permitting decision by 50% over 5 years.						
Reduce return to compliance timeframe by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
<b>Explanation:</b> Reduce return to compliance timeframe by 50% over 5 years.						
Increase the number of facilities in compliance at the time of inspection by 50% over 5 years. Measured as a cumulative percentage in each fiscal year during the planning horizon.	0	0	N/A	10.0	20.0	30.0
<b>Explanation:</b> Increase the number of facilities in compliance at the time of inspection by 50% over 5 years.						
◆ <b>Goal 2</b> To improve the quality of Arizona's air, land and water						
<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percentage of facilities from Drinking Water Priority Log assigned to enforcement staff.	100.0	100.0	100.0	N/A	N/A	N/A

# Governor's Office of Equal Opportunity

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

*The Governor's Office of Equal Opportunity (GOEO) was established as a result of Executive order 93.20.*

**Mission:**

The mission of the GOEO is to prepare, revise and administer the State of Arizona Equal Opportunity (EO) Guidelines for equal employment opportunity and economic growth. In doing so, the Governor's Office of Equal opportunity:

- Guides the State Agency EO planning process and provides technical assistance and training to agency leadership, Equal Opportunity Administrators, and supervisory staff;
- Administers a complaint process for current and former State of Arizona employees;
- Promotes access to State employment, procurement, and boards and commission for minorities and women.

**Guiding Principles:**

- Respect and inclusion of/for all Arizona citizens
- Transparency and access
- Efficiency and effectiveness in operations and customer service
- Diversity

**Strategy and Goals:**

*Strategy I*

Reduce the state of Arizona's risk of loss due to exposure to lawsuits relating to non-compliance with State and Federal EO and Civil Rights laws.

Goal 1: Ensure that state agencies comply with Equal Employment Opportunity (EEO) laws, regulation and policies to reduce the State's exposure to employment related disputes and lawsuits.

**Activities:**

1. Prepare, administer and revise State Equal Opportunity Guidelines.
2. Create and implement an EO performance element in the evaluation of executives, managers and supervisors in state agencies.
3. Facilitate annual orientation workshop in regards to EO plan.
4. Assist agencies in the preparation of agency level EO plans.
5. Collect monitor and evaluate agency EO plans.

6. Provide training and feedback session to agency EO Administrators to improve quality of EO planning process.
7. Provide EO training and mediation training to agency EO Administrators.
8. Offer alternative dispute resolution (ADR) to state agencies to resolve grievances and allegations based on discrimination regarding race, sex, national origins, religion, age, disability or veteran services.
9. Prepare and submit the biannual Local Government Information Survey (EEO-4) on behalf of the State of Arizona.

Goal 2: Assist Citizens with EEO related information and referral services.

1. Provide referral and counseling to the community at-large regarding EO rules and regulations
2. Research and respond to citizen inquiries as requested by the Office of Constituent Services

### *Strategy II*

Promote equal employment opportunity and economic development opportunities in state government.

Goal 1: Increase the participation of underrepresented groups in State employment, boards and Commission and contracting opportunities.

Activities:

1. Disseminate information regarding state employment, vacancies on boards and commissions and access to state procurement opportunities among community organizations and tribes.
2. In partnership with the AZ Commerce Authority, develop and initiate programs designed to enhance and promote economic growth and enrichment in low income and minority communities and minority and women owned business enterprises by providing workshops, seminars, and conferences to supply technical assistance training and education.

## Agency Summary

### GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY

Carolyn Pitre Wright, Director  
 Phone: (602) 542-3716  
 A.R.S. § 41-101

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	191.2	187.1	187.1	187.1
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	72.8	90.9	90.9	90.9
<b>Total Funding</b>	<b>264.0</b>	<b>278.0</b>	<b>278.0</b>	<b>278.0</b>
<b>FTE Positions</b>	<b>4.8</b>	<b>4.8</b>	<b>4.8</b>	<b>4.8</b>

- ◆ **Goal 1** To ensure state agencies comply with Equal Employment Opportunity laws, regulations and policies; and to assist other non-state government entities with related Information and Referral Services

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of state agency Equal Employment Opportunity plans submitted.	82	105	91	105	105	105
Number of state agencies assisted in the preparation of agency-level Equal Employment Opportunity Plans, and in efforts to reach workforce parity	117	70	108	90	90	90
Number of calls answered providing information and assistance regarding Equal Opportunity rules and regulations	180	200	136	150	150	150

- ◆ **Goal 2** To avoid/reduce the State's exposure to employment related disputes and lawsuits through training of State Equal Opportunity Administrators and administrative managers and supervisors; and coordination with Equal Employment Opportunity Commission.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of training classes provided	7	6	4	5	5	5
Total training hours provided to state employees	337	350	117	150	150	150
Number of EEOC charge notices received and monitored for organizational trends and follow-up.	104	100	51	60	60	60

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of community organizations contacted by the Governor's Office for Equal Opportunity to help facilitate the dissemination of information regarding employment opportunities	183	200	214	200	200	200

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of community organizations contacted by GOEO to help facilitate the dissemination of information regarding positions on State Boards and Commissions	107	100	130	130	130	130
Contact with tribes, tribal members and off-reservation native Americans regarding employment, appointment and procurement opportunities with the state	183	200	271	250	250	250

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of minority/women-owned businesses contacted and provided with information regarding state contracting opportunities	92	40	214	200	200	200
Number of minority/women-owned businesses referred to DOA procurement	88	40	128	130	130	130

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of persons trained in mediation	1	1	0	2	2	2
Number of presentations concerning mediation services	1	2	0	2	2	2
Number of mediation sessions conducted as a result of Governors Office of Equal Opportunity	0	4	1	4	4	4

# State Board of Equalization

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Agency Summary

### STATE BOARD OF EQUALIZATION

George Shook, Chairperson  
 Phone: (602) 364-1601  
 A.R.S. §§ 42-16152 et al.

#### 5-Year Plan: Not Prepared by 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.*

##### Description:

The State Board of Equalization (SBOE) is comprised of thirty-three members, thirteen appointed by the Governor, including the Chairman, and ten members from both Maricopa and Pima counties. The Board's jurisdiction is primarily over locally assessed real and personal property in Maricopa and Pima counties. Under A.R.S. §§ 42-14001 et al, the Board's authority extends to centrally assessed property statewide. The State Board of Equalization also can provide hearing officer services for outlying counties. Currently, the SBOE provides services to La Paz, Mohave, Navajo, Pinal and Yavapai counties. The Board, formerly Division I of the State Board of Tax Appeals, was created on August 1, 1995 through a consolidation of the appeals process.

##### Funding:

	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	535.4	629.5	629.5	629.5
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>535.4</b>	<b>629.5</b>	<b>629.5</b>	<b>629.5</b>
<b>FTE Positions</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

- ◆ **Goal 1** To restore sufficient funding in order for the State Board of Equalization to be prepared for a rapidly increasing caseload. This will also ensure that the SBOE is able to adequately staff all hearings in Maricopa and Pima Counties and meet statutory deadlines.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Cost per parcel (in dollars)	59.52	0	68.61	71.95	71.95	71.95
Parcels appeals received	11,078	0	9,160	8,750	8,750	8,750

- ◆ **Goal 2** To reduce the cost attributed to petitions and hearings.
- ◆ **Goal 3** To enhance the Board's computer system to handle the greatly increased caseloads and computerize tasks that are still done manually. To continue the growth in electronic filing and transmit a statement of changes made to the valuation of any property in Maricopa or Pima County. In addition, expand our electronic capabilities to include the "client" counties (currently, La Paz, Navajo, Mohave, Pinal, and Yavapai Counties).
- ◆ **Goal 4** To update and obtain necessary approvals of the State Board of Equalization's Rules
- ◆ **Goal 5** To obtain legislation that will reduce the number of unnecessary appeals by, among other things, encouraging resolution of disputes at the assessor level, to insure taxpayers will receive competent representation by tax agents and to insure prompt, thorough and fair treatment of taxpayers by the Board by obtaining adequate resources.



# Exposition and State Fair Board

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Agency Summary

### EXPOSITION AND STATE FAIR BOARD

Don West, Executive Director  
 Phone: (602) 252-6771  
 A.R.S. § 3-1001

#### 5-Year Plan: Not Prepared by Agency

#### Mission:

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

#### Description:

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

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ INTERIM EVENTS	3,468.9	3,863.0	3,863.0	3,863.0
➤ STATE FAIR	6,910.5	7,268.2	7,268.2	7,268.2
<b>Agency Total:</b>	<b>10,379.4</b>	<b>11,131.2</b>	<b>11,131.2</b>	<b>11,131.2</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	10,379.4	11,131.2	11,131.2	11,131.2
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>10,379.4</b>	<b>11,131.2</b>	<b>11,131.2</b>	<b>11,131.2</b>
<b>FTE Positions</b>	<b>184.0</b>	<b>184.0</b>	<b>184.0</b>	<b>184.0</b>

**Program Summary**

**INTERIM EVENTS**

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

**Mission:**

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

**Description:**

The Arizona Exposition and State Fair provides rental opportunities during the non-fair period for events such as antique markets, gun shows, livestock shows, youth activities, sporting events, and community activities.

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	3,468.9	3,863.0	3,863.0	3,863.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>3,468.9</b>	<b>3,863.0</b>	<b>3,863.0</b>	<b>3,863.0</b>
<b>FTE Positions</b>	<b>70.5</b>	<b>70.5</b>	<b>70.5</b>	<b>70.5</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Non-fair rental days over previous year	1	5	11	5	5	5
New promoters requesting space	9	5	10	5	5	5
Repeat promoters annually	38	35	20	22	22	22

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Parking lot rentals	78	80	213	84	84	84
New strategic partners renting parking lots	0	2	4	1	1	1

**Program Summary**

STATE FAIR

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

**Mission:**

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

**Description:**

AESF produces the annual Arizona State Fair which brings together a wide range of participants representing industry, business, and agriculture. The Fair showcases a variety of activities including agriculture, 4-H, and educational and community exhibits. The Fair also features entertainment such as motorized events, rodeos, midway rides, attractions, community groups, and national entertainers.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	6,910.5	7,268.2	7,268.2	7,268.2
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>6,910.5</b>	<b>7,268.2</b>	<b>7,268.2</b>	<b>7,268.2</b>
<b>FTE Positions</b>	<b>113.5</b>	<b>113.5</b>	<b>113.5</b>	<b>113.5</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
New partners acquired	33	16	21	12	15	18
Exhibit space used by partners for business showcase (square feet)	75,600	45,000	772,750	55,000	55,000	55,000

◆ **Goal 2** To maximize all fair revenue sources.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
New revenue streams identified	6	3	4	3	3	3
New revenue received from alternative sources (in dollars)	465,352	15,000	101,219	15,000	15,000	15,000

◆ **Goal 3** To increase midweek fair attendance.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Increase Wednesday attendance	11,993	10,000	(128)	10,000	10,000	10,000
Fair attendance (in thousands)	1,041.0	1,000.0	1,077.9	1,000.0	1,000.0	1,000.0

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of guest service contacts	337	354	322	338	355	373
Improvements implemented	22	18	26	25	10	10

# State Department of Financial Institutions

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS  
5-YEAR STRATEGIC PLAN  
FY 2014 - FY 2018**

**MISSION STATEMENT:**

To license, examine, and supervise Financial Institutions, in compliance with State law, to ensure safety for the Arizona consumer and soundness for the Arizona business.

**AGENCY DESCRIPTION:**

The Department of Financial Institutions (“DFI”) licenses, supervises, and regulates state chartered financial institutions and enterprises to ensure the safety and soundness of these financial entities, and verify compliance with state and federal laws. DFI also investigates complaints that are filed by consumers against licensed entities and directs appropriate remedial action if the violations are substantiated.

**STRATEGIC ISSUES & STRATEGIES:**

**ISSUE #1: Ongoing funding shortfall for meeting statutorily required examination schedule for banks, credit unions, and non-depository licensees.**

The Department is facing an on-going funding shortfall for FY13 and beyond, based on the resources required to perform the number of examinations and other regulatory activities required by Arizona statute.

Due to budget reductions in FY08, FY09, and FY10, the number of filled examiner positions is down 31% from the number that existed before budget cuts began. At a time of distress among banks, credit unions, and non-depository licensees affected by the credit crisis, housing collapse, and prolonged economic downturn, there has been an equal negative impact on DFI as more frequent examinations and unpredictable investigations have placed heavy demands on limited examiner resources.

Effective regulation and enforcement actions against both licensed and unlicensed entities who do not comply with Arizona statutes are a fundamental expectation of the regulated community and their customers. Since all of DFI’s revenue streams come exclusively from industry sources (i.e., licensing, examination, and annual assessments), the monies generated from banks, credit unions, and licensees' fees and assessments should be used to underwrite the Department's operations.

Strategies to address this issue vary across DFI’s three operating divisions and, therefore , they will be discussed separately.

## Financial Institutions Division

DFI's division of Financial Institutions is responsible for ensuring the safety and soundness of all Arizona state-chartered financial institutions (Banks, Credit Unions and Trust Companies), licensed by DFI to provide financial depository and fiduciary services to Arizona businesses and consumers.

Community Banks, Credit Unions and Trust Companies are vital to the businesses and citizenry of Arizona. The 41 financial depository and trust institutions currently licensed by the DFI hold or manage over \$25 Billion in assets and provide financial services to the entire state. These institutions are better suited to meet and support community financial needs and foster economic recovery in Arizona than any other single industry licensed in Arizona. Safety and soundness is supported through DFI examinations, and ongoing supervisory processes. The complexities of the industry continue to increase at record speeds as brick and mortar offices are no longer needed to facilitate monetary transactions. The requirements of regulatory oversight are extremely important as the industry evolves in the 21<sup>st</sup> century. The federal regulations are often a one size fits all whether the organization is a Wall Street giant headquartered in New York or a community based and headquartered in anytown Arizona.

Focused attention by Arizona examiners is helpful to facilitate meaningful implementation of the plethora of regulations. If DFI does not maintain a strong examination force and program, the institutions and their customers will suffer at the hands of federal regulators who are often unfamiliar with state laws and less than concerned about community impact than loss to the Federal deposit insurance funds. In addition, the Federal examiner is not always familiar with the dynamics of the state and may react to examination conclusions based on a standard for all states. Since 2010, the DFI has worked hard to remain effective in spite of less than adequate funding for staff resources, technology, training and travel.

The benefit of the dual chartered banking system continues to be challenged with Federal preemption efforts and unfunded mandates. The DFI's response to these challenges has never been more important to the financial institutions industry. The local and familiar state regulator, which leads joint examinations, or at least participates with the Federal Deposit Insurers during joint examinations, can often maintain integrity in the examination process while better supporting the unique business needs that are based on locality of the financial service industry.

The division is currently staffed with 10 examiners and one manager. The Division is capable of completing full scope depository institution examinations but does not have adequate trained staff to conduct independent full scope examinations of banks and credit unions above \$250 million without assistance from the Federal Insurers. All examiners must complete annual training continuously to build or retain knowledge and capacity to complete independent bank and credit union examinations. The Division has always completed independent Trust Company examinations annually but currently has only one examiner capable of leading these independent examinations at the present time. New

staff has completed training and will participate in trust company examinations during the year.

Federal regulators have mandated more frequent examination visitations placing additional strain on a limited state regulatory work force to spread resources to meet examination demands.

### Financial Enterprises Division

The Financial Enterprises Division is primarily responsible for administering the general program of examination and supervision of over 8,500 licensees spread among 15 different types of regulated entities, including: escrow agents, collection agents, motor vehicle dealers, sales finance companies, loan originators, mortgage brokers, mortgage bankers, commercial mortgage brokers, commercial mortgage bankers, money transmitters, debt management companies, premium finance companies, advance fee loan brokers, pre-need funeral trust, and consumer lenders. Responsibilities include conducting examinations (pursuant to statutory requirements), reporting results of examinations, and taking appropriate formal or informal regulatory enforcement action where necessary. The Division also investigates complaints that are filed by consumers against licensed entities and directs appropriate remedial action if the violations are substantiated.

#### Loan Originators & Mortgage Companies:

State legislation mandating the licensure of loan originators went into effect on July 1, 2010. This new law also provided a financial structure that allows the Loan Originator licensing program to be self-sustaining and minimize support from the General Fund. This was accomplished through the creation of a new fund (the Financial Services Fund) consisting of loan originator licensing fees collected by DFI. The monies in this fund – which are subject to annual legislative appropriation - can only be used for the supervision and regulation of loan originators.

In FY 2011, DFI received its first appropriation to fund the Licensing and IT costs associated with running this new program. However, monies to fund the Supervision (i.e., statutorily required examinations) of licensed loan originators, was not appropriated until FY 2013. With this latest funding, DFI recently hired three (3) examiners, who are dedicated to providing ongoing oversight of loan originators – to help prevent a repeat of the bad real estate loans that contributed to the housing crash.

In accordance with the statutory examination schedule, licensed loan originators - whose population exceeded 5,300 at the end of FY 2012 - must be examined at least once every five years. Furthermore, this new licensing program is expected to generate new complaints (including complaints of unlicensed activity) that must be investigated.

Mortgage companies and loan originators currently account for 74% of those regulated by DFI. While the past four (4) years brought an expected decline in both mortgage



broker and mortgage banker licensee levels, the ongoing economic downturn, credit crisis, and housing recession should not significantly change the long-term outlook for financial entity growth. In fact, despite declines in licensed mortgage broker and bankers, DFI continues to see strong growth in the number of licensed loan originators that they employ.

#### Other Financial Enterprises:

The Department has two (2) examiners assigned to conduct examinations of 35 consumer lenders, 34 debt management companies, 101 escrow agents, 25 pre-need funeral trusts, and 32 premium finance companies, and only one (1) examiner assigned to handle 706 collection agencies. The examiners currently have 78 examinations past due pursuant to the Department's statutory mandate.

This is an issue because the Department is required by law to conduct these examinations. While the prolonged economic downturn has kept some licensee counts relatively flat over the past two years, DFI expects the long-term upward trend to resume by FY 2014. The anticipated increase in the size of the regulated community will only cause the backlog to grow.

#### Strategies:

Given limited resources, the Department continues to explore ways to operate more efficiently. Conducting examinations-by-mail and, more recently, instituting a limited scope electronic examinations (E-exam), on some of its better-rated or minimal activity financial enterprises (collection agencies and mortgage brokers) reduces on-site time at the licensees. These procedures enable the Department to allocate more resources to "troubled" licensees. The agency also has in place a "risk-focused" approach in its examinations that concentrates on inherent risks. Despite these efficiencies, there remains a need for additional resources. Therefore, Department strategies are as follows:

#### Loan Originator and Mortgage Companies:

- 1) Since the compliance examinations of loan originators will be conducted, as a general practice, with the examination of the mortgage broker or mortgage banker, the three (3) new loan originator examiners should help the Division to become current in mortgage related examinations.
- 2) The anticipated growth in mortgage companies and loan originators can only be addressed through additional resources. DFI anticipates that it will need to request additional funding for one or more additional examiners starting FY 2016 – at which point the loan originator licensing program will have been in existence for more than 5 years.

Other Financial Enterprises:

- 1) To address the current backlog, the Department is seeking continuing funding for one (1) additional examiner beginning FY 2014.
- 2) The anticipated resumption in growth of the regulated community may require funding for a second examiner as early as FY 2015. The need for additional funding will be re-assessed during the next budget cycle.

All Financial Enterprises:

- 1) Continue to conduct E-exams to the extent possible. This type of examination is not appropriate in some areas, so it will not address the backlog and on-going examinations as effectively as a full time examiner.
- 2) Supplement the examiner staff, by utilizing contractors to augment heavy volume times, when funds are available. By employing the services of contract examiners, DFI will have the flexibility to expand and contract to help tackle backlogs and meet changing needs throughout the year - something that can't be done with permanent employees. DFI has already begun the formal solicitation (RFP) process and expects to award contracts in FY 2013.

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**ISSUE #2: The Department's ability to accomplish its mission of protecting Arizona consumers and the integrity of the state's financial community will be compromised if key personnel cannot be retained.**

The Department has been unsuccessful in its past efforts to obtain additional funding in order to offer its examiners, and other key personnel, promotional opportunities and a more competitive salary. If key employees cannot be retained, the Department's ability to accomplish its mission of protecting Arizona consumers and the integrity of the state's financial community will be compromised.

Examination Team

The Department's effectiveness as a regulator is directly related to the competence of its examiners in the field. Without adequate compensation and career path, our best examiners are hired by our licensees, banks, credit unions, and other state and federal agencies that can offer much higher salaries and more opportunity.

Retention of trained and experienced examiners is essential to the overall effectiveness of the Department's supervisory program. Without proficient examiner staff, DFI may not detect and appropriately respond to: 1) illegal activity such as fraud, terrorism financing, and money laundering; 2) mismanagement leading to bankruptcy or receivership having

direct financial hardship to both consumers and the State (if named as receiver); and 3) compliance issues that reduce consumer protections and cost Arizona citizens as a result.

### Licensing Division Staff

The Licensing Division's primary function is to evaluate license applications and maintenance requests for 15 different regulated entities and provide service to current licensees and the general public.

The entire licensing staff is classified as grade 15, "Customer Service Representative II" ("CSR"). It is critical that the people making licensing decisions are competent to make those decisions. When an entity becomes licensed that should not be, they pose a potential risk to consumers and become an added burden on the Department's examination team – whose resources are limited due to budget cuts. DFI has various levels of experience, training, and specific expertise among its licensing staff. With only one classification level, DFI cannot provide a career path with adequate incentives to retain and reward staff for attaining higher levels of training and experience.

Historically, staff turnover has caused significant disruption and performance shortfalls for the licensing division. When coupled with recent budget/staff reductions, the failure to meet statutory licensing time frames continued at a greater pace. This failure requires, by Arizona law, that DFI refund application fees to those applicants - directly impacting the State's General Fund. In addition, businesses applying for licenses become increasingly frustrated with the Department's inability to process their license application in a timely manner.

Through improved employee satisfaction that is gained by providing a better career path with intermediate advancement and rewards, DFI can:

- retain experienced CSR's past their earliest retirement window
- attract new candidates and provide them with a route for career advancement
- minimize the disruption to DFI when turnover occurs, which prolongs the application process and causes refunds to applicants

### Other Key Employees:

Retention of trained and experienced employees and recruitment of qualified competent new employees is an issue that affects all areas within the Department. Due to the Department's small staff size, its' organizational structure is relatively flat. Therefore, promotional opportunities and resultant salary increases are limited for other employees, including managers, supervisors, and administrative/support staff. Without a compensation system that rewards employees based on performance, the Department will be unable to 1) retain experienced administrative/support staff, 2) compete with the private sector for new candidates, and 3) prevent the loss of key employees and the institutional knowledge that they possess.

## **Strategies:**

DFI proposes a three-pronged approach to staff retention and development: 1) fund earned examiner promotions; 2) institute and fund a three-tiered career ladder for Licensing Division personnel; and 3) develop new performance measures that are directly linked to the new Performance Management and Compensation Pay Systems.

### **1. Examiner Promotions**

In FY 2006, the Department established a three-tiered classification system to provide retention incentive through promotional opportunities and pay increases for its examiner personnel. Each division has set objective criteria based on training, job roles/responsibilities, education, as well as performance that qualify employees for promotions to higher job classifications/grades. Several examiners have already met the criteria for promotion to a higher grade examiner position; however, the Department has been unsuccessful in its efforts to obtain funding for this purpose. In order for the tiered system to be an effective development and retention tool, DFI must promote worthy personnel for their efforts in a timely manner.

DFI will continue to seek funding to pay for the ongoing cost associated with implementing this strategy. As part of this effort DFI will also survey its state and federal counterparts to ascertain the current disparity in salaries as compared to Arizona.

### **2. Implement Tiered Classifications for Licensing Division**

To address this situation, DFI is seeking to institute a three-tier classification system for licensing staff in FY 2014. This system would include: 1) an introductory level for recruits with limited to no previous licensing experience, but who meet the minimum educational requirements; 2) an intermediate classification with a higher grade level that requires licensing or industry experience to qualify; and 3) the highest classification for licensing personnel with experience in specific areas of licensing responsibilities.

Some of our staff will have the experience levels required to qualify for the higher classification. Accordingly, those individuals would qualify for a salary increase as they move into a higher classification. The implementation of a tiered classification system must be accompanied by additional funding.

### **3. Performance Pay System**

As part of the State's efforts to modernize the personnel system and to assist in attracting and retaining high performers, new performance management and compensation systems will soon be implemented. Under these new systems, agencies will have various compensation tools available to use in rewarding high performing employees.

While details of these new systems are not yet known – including details of the various compensation strategies that will be available to use - DFI must begin to:

- 1) Develop meaningful and employee specific performance measures, which will serve as the basis for evaluating and rewarding employees.
- 2) Develop a process for tracking and reporting newly established performance results.

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**ISSUE #3: The Department's Information Technology system is outdated and paper based. This system must be modernized if DFI is going to be able to meet the expectations of the state and the public.**

The lack of adequate IT funding in past years has prevented the Department from modernizing its outdated IT system. We currently are dependent on a database that has been in use since 1996. The Banking Department Information System (BDIS) was written in Foxpro 5.0, which is a Microsoft product that has not been sold or supported since 2007. Because of the inadequacies of BDIS, many undocumented “shadow” systems have been developed for both tracking items and for creating reports. The Department does not have one information management system that will centralize its data and provide sufficient reporting on that data.

The state is increasingly moving towards web based applications for both the cost savings benefits and the improvements to Customer Service. Without updating DFI’s core software, the Department is unable to participate in this state movement.

Because of our antiquated information management system, the Department faces significant challenges in its efforts to use technology to streamline our business processes.

**Strategies:**

The DFI plan to implement new technology and simplify processes consists of 4 areas:

- 1) Continue to document, standardize and streamline our work processes;
- 2) continue to work through implementing an eLicensing system;
- 3) Implement web based services; and
- 4) implement a document management system.

**1. Document Work Processes**

Over the past year, DFI has been working with a consulting company to identify and document our work processes. As part of this documentation, the agency is finding opportunities to immediately improve working procedures and streamline the licensing process. The expected benefits of documenting our work processes include:

- Ensuring that our business processes are consistent.
- Ensuring that DFI processes are being performed in accordance with agency policies and procedures.

- Identify bottlenecks and inefficiencies in the processes and work towards improving them.
- When processes are thoroughly documented it will enable staff to quickly train new employees.
- Minimizes potential danger of loss of business process knowledge due to unexpected loss of staff.
- Turns the staff's experience into documented processes.
- Formalizes existing processes which may not be well documented or which have evolved over time into "informal knowledge".
- Handle exceptions faster and in a better way.

## **2. Implement a regulatory licensing system**

In 2009, DFI purchased a new regulatory licensing system as part of our strategy to modernize. Although we have not yet implemented the software, the goal of moving to a new system is still an important part of our strategies. A new regulatory licensing system will bring the following benefits to DFI:

- Reduce redundant workload by eliminating the need for dual entry into BDIS and the Nationwide Mortgage Licensing System (NMLS).
- Improve efficiency by streamlining our data management, examination, compliance and licensure processes all into a single, web-based system.
- Increase productivity with the ability to access all the information for a licensee in one place.
- Improved accessibility for examiners in the field as the software will be web based.
- Data security will be improved when DFI has the ability to control access to licensee information and the software will provide audit trails for viewing and changes to data.
- Improved internal operations because the time it takes to complete a process will be reduced.

## **3. Web Based Services**

A critical aspect of a modernized DFI is to implement web based services for our licensees and the public. These services would include the ability to obtain and maintain a license through online applications, the ability to pay online with credit cards and the ability for the general public to look up licensee information and file inquiries and complaints. The benefits of offering web based services to the public would include:

- Improvements to data accuracy
- Increased efficiency in issuing licenses.
- Convenient availability to the public any time of day, from any web-enabled computer.
- Licensees would have the ability to check the progress of their licensing transactions.

- Licensees will be able to receive email notification of transactions.
- Ability to accept credit cards payments will reduce the amount of time currently spent processing paper checks and cash payments.
- License information will be updated as soon as changes are made, rather than the licensee having to wait for paperwork to be processed.
- Improved customer service and satisfaction
- Data entry demands on the licensing staff will be *greatly* reduced since the licensees will be entering their own data.

#### 4. Document Management System

Implementing a Document Management System should give DFI the ability to control the creation and authentication of documents, maintain version control for multiple versions of a document, manage storage of documents in a way that facilitates convenient retrieval of a particular document when needed, ensure security and safety of documents with the dual objectives of preventing unauthorized access to documents and allowing recovery from physical damage or loss of documents. The benefits to DFI of a document management system will include:

- Reduced storage needs since scanning documents and integrating them into a document management system can greatly reduce the amount of storage space required by paper.
- Less time is spent locating the documents as they can be retrieved without leaving a desk. Offsite examiners can also retrieve documents from any computer with web access.
- Improved compliance with state and federal regulations and recommendations – the risks involving missing time frames, not having items documented correctly and missing audit trails is reduced and, in most cases, removed.
- Searching capabilities are greatly improved because a document management system can retrieve files by any word or phrase in the document and can also allow documents to be classified and stored in more than one category.
- Cost savings by reducing the costs associated with paper based document distribution, such as printing and postage and removes the typical delay associated with providing hard copy information.
- Improved security since DFI will have better, more flexible control over sensitive documents and will also have an audit trail of who viewed an item, when or who modified an item and when that modification happened.
- Disaster recovery strategies will be improved as the system will provide an easy way to back-up documents for offsite storage.

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**ISSUE #4: The Financial Institutions and Services industries are rapidly evolving due to expanded uses of technology, unprecedented economic challenges, and the increased burden of federal regulations.**

The DFI must stay current with the changing industry to provide relevant regulatory oversight and to champion safety and soundness for financial service providers and the businesses, communities, and citizens that they serve. If DFI fails to accomplish this, the state governance could be totally preempted by the Federal Regulators.

The DFI must adapt by developing and implementing effective techniques to remain abreast of industry changes. These techniques must include, but not limited to the following:

1. Develop effective talent management practices to support recruitment and retention.
2. Provide ongoing support of staff development through up-to-date and continuing training.
3. Improve functionality and use of technology and systems infrastructure to support licensing, examination, supervisory and enforcement functions.
4. Implement performance measurements that are meaningful, understandable, and promote ongoing improvement in DFI effectiveness and efficiencies.
5. Establish increased capacity to foster timely responsiveness and improve ongoing communication between the DFI and industry.
6. Create a monitoring program that fosters ongoing DFI performance improvement in effectiveness and efficiencies.

**RESOURCE ASSUMPTIONS:**

<b>Resource Assumptions - Agency Level (In Thousands)</b>						
	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
FTE Positions	58.1	58.1	58.1	60.1	62.1	64.1
General Fund	2,920.8	3,169.1	3,208.3	3,363.3	3,518.3	3,673.3
Other Appropriated Funds	922.9	914.9	914.9	1,069.9	1,224.9	1,379.9
Non- Appropriated Funds	1,628.8	838.8	838.8	838.8	838.8	838.8
Federal Funds	-0-	-0-	-0-	-0-	-0-	-0-
Total Agency Funds	5,472.5	4,922.8	4,962.0	5,272.0	5,582.0	5,892.0



FY 2016 – FY 2018 funding increases are based on the following:

- Projected growth in the overall population of licensees based on improving economic conditions. While funding for four (4) additional employees per year is projected, only funding increases in the Financial Services Fund will require an increase in authorized positions, since the number of “funded” General Fund positions is well below the number of positions currently “authorized.”
- Financial Services Fund: Strong growth in the population of licensed loan originators is expected to continue as the economy and housing market improves. On July 1, 2015, this new licensing program will have been in existence for 5 full years. By then, the current population of over 5,700 licensed loan originators is projected to grow to roughly 8,300 (a 46% increase). In order to meet statutorily required timeframes for licensing and conducting examinations, increases in both funding and authorized FTE are projected beginning in FY 2016.
- The projected increase in overall staff size simply maintains the ratio of licensees to “filled” FTE at its current historically high level.

## Agency Summary

### STATE DEPARTMENT OF FINANCIAL INSTITUTIONS

Lauren W. Kingry, Superintendent of Financial Institutions

Phone: (602) 771-2800

A.R.S. §§ 6-110 et. seq.

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ OFFICE OF SUPERVISION	2,195.7	3,332.7	3,266.7	3,262.7
➤ OFFICE OF REGULATORY AFFAIRS	1,485.7	1,610.9	1,617.2	1,660.4
➤ RECEIVERSHIPS	1,334.9	528.9	38.9	38.9
<b>Agency Total:</b>	<b>5,016.3</b>	<b>5,472.5</b>	<b>4,922.8</b>	<b>4,962.0</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	2,745.1	2,920.8	3,169.1	3,208.3
Other Appropriated Funds	537.6	922.9	914.9	914.9
Other Non Appropriated Funds	1,733.6	1,628.8	838.8	838.8
<b>Total Funding</b>	<b>5,016.3</b>	<b>5,472.5</b>	<b>4,922.8</b>	<b>4,962.0</b>
<b>FTE Positions</b>	<b>56.1</b>	<b>59.1</b>	<b>59.1</b>	<b>59.1</b>

**Program Summary**

OFFICE OF SUPERVISION

Lauren W. Kingry, Superintendent of Financial Institutions  
 Phone: (602) 771-2800  
 A.R.S. §§ 6-101 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,778.1	1,887.0	2,129.0	2,125.0
Other Appropriated Funds	4.8	320.4	312.4	312.4
Other Non Appropriated Funds	412.8	1,125.3	825.3	825.3
<b>Total Funding</b>	<b>2,195.7</b>	<b>3,332.7</b>	<b>3,266.7</b>	<b>3,262.7</b>
<b>FTE Positions</b>	<b>33.3</b>	<b>36.3</b>	<b>36.3</b>	<b>36.3</b>

- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of licensees scheduled to be examined annually that are examined	100	100	100	100	100	100
Percent of licensees scheduled to be examined biannually that are examined	51	40	37	40	40	40
Percent of licensees scheduled to be examined every third year that are examined	0	5	39	20	20	60
Percent of licensees scheduled to be examined every fifth year that are examined	8	5	11	20	20	20
Percent of licensees examined with no examination schedule requirement	1.6	1.6	2.1	2.0	2.0	2.0
Percent of examinations receiving a satisfactory composite rating	88	80	96	90	90	90

- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Supervisory actions taken based on examination findings	36	35	29	35	40	45
Formal/informal supervisory actions taken	140	100	86	100	105	110

- ◆ **Goal 3** To improve relations with licensees through the examination process.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of examination reports mailed within 25 days of completion of all examination procedures	85	85	88	90	90	90
Percent of licensees indicating they receive good or better service from the Department	100	98	100	98	98	98

**Program Summary**

OFFICE OF REGULATORY AFFAIRS

Lauren W. Kingry, Superintendent of Financial Institutions

Phone: (602) 771-2800

A.R.S. §§ 6-101 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	952.9	1,008.4	1,014.7	1,057.9
Other Appropriated Funds	532.8	602.5	602.5	602.5
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,485.7</b>	<b>1,610.9</b>	<b>1,617.2</b>	<b>1,660.4</b>
<b>FTE Positions</b>	<b>22.3</b>	<b>22.3</b>	<b>22.3</b>	<b>22.3</b>

- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Applications processed (home office and branch)	3,081	2,350	2,574	2,580	2,315	2,350
Total applications processed (including renewals)	9,394	10,550	9,307	11,080	11,865	12,850
Licenses/renewals issued	10,469	10,550	9,224	11,080	11,865	12,850

- ◆ **Goal 2** To implement and administer a new licensing program to license all mortgage loan originators by July 1, 2010, as mandated by A.R.S. Title 6, Chapter 9, Article 4.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of licensed loan originators	4,821	5,800	5,320	6,500	7,400	8,300
Total number of all licensees	7,682	8,700	8,190	9,400	10,350	11,300

- ◆ **Goal 3** To expedite licensing of qualified applicants in accordance with licensing time frames approved by the Governor's Regulatory Review Council and Title 20 of the Arizona Administrative Code, while maintaining applicant satisfaction levels.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average days from receipt to approval of license applications (Excluding Banks and Credit Unions)	31	35	8	10	12	12
Average days from receipt to approval of license applications (Excluding Banks, Credit Unions & Loan Originators)	0	0	30	35	40	40

**Explanation:** New measure added for FY 2012

Average days from receipt to approval of Loan Originator license applications.	0	0	2	2	2	2
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**Explanation:** New measure added for FY 2012

Percent of license applications approved within 45 days of receipt (excluding Banks and Credit Unions)	61	60	96	90	90	90
Percent of surveyed applicants who respond they received 'good' or better overall service	93	95	96	95	95	95

- ◆ **Goal 4** To receive and investigate consumer complaints/unlicensed activity and resolve disputes in a prompt and professional manner.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average number of calendar days from receipt to resolution of regular complaint	318	45	23	35	35	35
Regular complaints filed	654	650	830	850	875	900
Complaints received and forwarded	302	300	244	300	300	300
Complaints closed (reg and forwarded)	1,475	1,100	824	1,100	1,150	1,175
Unlicensed activity identified	131	60	161	100	100	100
Percent of complainants indicating they receive good or better overall service from the Department	70	75	74	75	75	75

**Program Summary**

RECEIVERSHIPS

Lauren W. Kingry, Superintendent of Financial Institutions  
 Phone: (602) 771-2800  
 A.R.S. §§ 6-101 et. seq.

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
General Funds	14.1	25.4	25.4	25.4
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	1,320.8	503.5	13.5	13.5
<b>Total Funding</b>	<b>1,334.9</b>	<b>528.9</b>	<b>38.9</b>	<b>38.9</b>
<b>FTE Positions</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>

- ◆ **Goal 1** To promptly marshal and liquidate the assets of assigned receiverships.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Open receiverships (at any point in fiscal year)	1	1	1	1	0	0
Receiverships closed in period	0	1	0	1	0	0

- ◆ **Goal 2** To expedite the closure of all assigned receiverships while maximizing the recovery dollars for injured parties.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Close 'Landmarc Capital' receivership in FY 2012	0	1	0	1	N/A	N/A

**Explanation:** Receivership action against Landmarc Capital commenced in June 2009

# Board of Fingerprinting

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# Arizona Board of Fingerprinting Five-Year Strategic Plan

## OVERVIEW OF THE AGENCY

The Arizona Board of Fingerprinting (“Board”) is a state agency that determines whether individuals who want to work with certain regulated populations—primarily vulnerable citizens like children and the elderly—are rehabilitated from their history of criminal behavior or acts of child abuse or neglect.

The Board considers two types of applications.

- **Good-cause exceptions.** The Board considers applications from individuals whose fingerprint clearance card has been denied or suspended by the Arizona Department of Public Safety and who are trying to demonstrate that they're rehabilitated and not recidivists.
- **Central-registry exceptions.** The Board considers applications from individuals who have been disqualified after a central-registry background check. Individuals who have had substantiated allegations of child abuse or neglect are listed in a set of Child Protective Services databases called the Central Registry. Employees of contractors, subcontractors, or offerors who provide direct services to children or vulnerable adults for the Arizona Department of Economic Security must have a background check on the Central Registry. If they don't clear that background check, they may be eligible to apply to the Board to show that they are rehabilitated and not recidivists

## MISSION

The Board's mission is to fairly, expeditiously, and responsibly determine good cause exceptions and central-registry exceptions for applicants.

## VISION

The Board's vision is to be viewed by the public, especially stakeholders, as an agency that fairly assesses rehabilitation and recidivism by balancing, on the one hand, the need to protect citizens and, on the other hand, the value of allowing rehabilitated citizens the opportunity to contribute to society. The Board recognizes the importance of efficient operations to applicants, service providers, employers, and state agencies that have interests in the fingerprint-clearance-card system and the process for conducting central-registry background checks.

## VALUES

- Professionalism and high-quality customer service
- Accountability to the public
- Innovation in business processes

- Stewardship with public resources
- Partnership with stakeholders
- Integrity and fairness
- Efficiency and timeliness
- Quality of work

## **GOALS**

The Board has three goals that focus on fairness and consistency, timeliness, effectiveness, and accessibility.

- **Goal 1.** To make fair and consistent determinations on good-cause-exception applications and central-registry-exception applications.
- **Goal 2.** To provide applicants with timely decisions on their good-cause-exception applications and central-registry-exception applications.
- **Goal 3.** To develop fair and comprehensible rules, policies, and procedures for determining good-cause-exception applications and central-registry-exception applications.

## **STRATEGIC ISSUES**

- **Strategic Issue 1.** Timeliness and statutory time frames
- **Strategic Issue 2.** Improve e-government services
- **Strategic Issue 3.** Review of statutes

## **RESOURCE ASSUMPTIONS**

For all strategic issues, the funding resources will come from the Board of Fingerprinting Fund, which is a nonappropriated and nonlapsing fund.



## **STRATEGIC ISSUE 1: TIMELINESS AND STATUTORY TIME FRAMES**

### **Description**

The Board's statutes require portions of the application process to be completed within specific time frames. A.R.S. § 41-619.55 requires the Board to comply with the following time frames.

- 20 days from receipt of application (which is defined in A.A.C. R13-11-104) to expedited review (which is the initial review by the Board of the application without the applicant being present)
- 45 days from expedited review to administrative hearing
- 80 days from administrative hearing to Board decision

Due to the economic decline in recent years, the Legislature swept funds from the Board to help cope with the state's budget deficit. As a result, the Board conducted a reduction in force in 2010 that affected the Board's ability to comply with the statutory time frames.

Now that the state's budget situation has improved, the Board can return to full compliance with the time frames. This effort is important not only to comply with the law but to limit the time when applicants are ineligible to work in certain regulated professions.

### **Objectives**

- By June 30, 2013, achieve 100% compliance with the 20-day statutory time frame (receipt of application to expedited review)
- By June 30, 2013, achieve 100% compliance with the 45-day statutory time frame (expedited review to administrative hearing)
- By June 30, 2013, achieve 80% compliance with the 80-day statutory time frame (administrative hearing to Board decision)
- By June 30, 2014, achieve 100% compliance with the 80-day statutory time frame

### **Strategies**

Increase staffing resources to meet demand by increasing expenditures for personnel and, as necessary, vendors

### **Performance measures**

- Percent of applications with an expedited review within 20 days of receipt of an application

- Percent of applications with an administrative hearing within 45 days of an expedited review
- Percent of applications with a Board decision within 80 days of an administrative hearing

## **STRATEGIC ISSUE 2: IMPROVE E-GOVERNMENT SERVICES**

### **Description**

Government agencies have increasingly used new technology to improve the accessibility and ease of use of government services. Although there are some obstacles unique to the Board—for example, it receives documents from numerous agencies, especially in rural areas, that still rely on paper—the Board nonetheless believes that opportunities exist for electronic services.

The Board believes that improving e-government services is necessary not just for the purpose of keeping up with dominant business-process trends but also to increase accessibility to applicants. The Board does not have the resources to establish field offices or to travel extensively, but some applicants live far from Phoenix and would benefit from the ability to attend meetings and hearings by videoconference. Expanding these services would limit the disproportionate impact on applicants who live far from Phoenix.

### **Objectives**

- By June 30, 2014, establish videoconference capabilities for administrative hearings and Board hearings
- By June 30, 2015, establish an online system for applicants to manage their case (e.g., submit documents, identify missing application components, and submit motions)

### **Strategies**

- Identify security and legal issues and receive ASET approval
- Approve funding in budgets for fiscal years 2014 and 2015

### **Performance measures**

- Project completion
- Percent of applicants who use e-government services

## **STRATEGIC ISSUE 3: REVIEW OF STATUTES**

### **Description**

A.R.S. §§ 41–1758.03 and 41–1758.07 identify the crimes that require the Department of Public Safety to deny or suspend a fingerprint clearance card. These lists of crimes were developed and modified primarily through collaboration among several state agencies: the Board, the Department of Public Safety, and the agencies that require fingerprint clearance cards. On occasion, these agencies have reviewed the lists to identify new needs and changes to the criminal code and have requested legislative changes.

In 2012, the Legislature established a new function at the Board—central-registry exceptions. Since this is a new function, it may be necessary to modify statutes after the application process has been in place.

### **Objectives**

- By September 30, 2013, identify any necessary changes to A.R.S. §§ 41–1758.03 and 41–1758.07 and, if appropriate, work with the relevant agencies to have legislation introduced
- By September 30, 2013, identify any necessary changes to A.R.S. §§ 41–619.57 and, if appropriate, have legislation introduced

### **Strategies**

Hold regular meetings of stakeholders to discuss the appropriate statutes

### **Performance measures**

- Stakeholder meetings held
- Percent of applications approved
- Percent of approvals by expedited review

### Agency Summary

#### BOARD OF FINGERPRINTING

Dennis Seavers, Executive Director  
 Phone: (602) 265-0135  
 A.R.S. § 41-619.52

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	490.4	576.2	576.2	576.2
<b>Total Funding</b>	<b>490.4</b>	<b>576.2</b>	<b>576.2</b>	<b>576.2</b>
<b>FTE Positions</b>	<b>4.8</b>	<b>5.8</b>	<b>5.8</b>	<b>5.8</b>

◆ **Goal 1** To make fair and consistent determinations on good-cause-exception applications.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of investigator recommendations for expedited reviews accepted.	96.36	95	97.54	95	96	96
Percent of applications approved.	94.49	94	96.28	94	95	95

**Explanation:** Excludes applications that are closed administratively.

Percent of approvals by expedited review.	93.49	90	91.34	90	91	91
Percent of approvals by administrative hearing.	6.51	10	8.66	10	9	9

◆ **Goal 2** To provide applicants with timely decisions on their good-cause-exception applications.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of good-cause-exception applications received.	2,308	2,300	2,464	2,300	2,300	2,300
Number of applications disposed.	2,318	2,300	2,636	2,300	2,300	2,300
Ratio of cases opened to cases closed.	1:1	1:1	1:1.07	1:1	1:1	1:1
Average number of days to dispose.	61.76	65	48.75	40	35	35
Average number of days spent processing application.	30.84	35	30.44	30	25	25
Average number of days spent processing application from receipt to expedited review.	15.2	17	13.71	12	12	12
Percent of applications that undergo an expedited review within 20 days (processing time).	95.38	95	98.39	99	100	100
Average days from expedited review to hearing.	48.25	50	56.34	40	30	25
Percent of applications heard within 60 days of expedited review.	79.73	100	75.82	90	100	100
Percent of applications decided within 80 days of hearing.	58.23	70	54.35	70	100	100

◆ **Goal 3** To develop fair and comprehensible rules, policies, and procedures for determining good cause exceptions.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of applications complete on initial submission.	59.49	60	67.5	70	72	75

# Department of Fire, Building and Life Safety

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

### Agency Summary

#### DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

Gene Palma, Director  
 Phone: (602) 364-1003  
 A.R.S. § 41-2141

**5-Year Plan: Not Prepared by Agency**

**Mission:**

*To provide consumer protection and public safety by maintaining and enforcing standards of quality and safety for manufactured/mobile homes, factory-built buildings, and by reducing hazards to life and property through enforcement of the State Fire Code.*

**Description:**

The Department of Fire, Building and Life Safety enforces safety standards for public buildings, manufactured homes, mobile homes, and factory-built buildings. The Department is comprised of the Office of Manufactured Housing and the State Fire Marshal.

The Office of Manufactured Housing licenses and regulates the production and ownership of manufactured housing; administers funds paid by manufacturers, mobile home park owners and residents; and administers funds reserved for claims filed against the payers or for involuntary relocation. Additionally, it acts on behalf of the Federal Department of Housing and Urban Development in the implementation and enforcement of regulations regarding manufactured and mobile homes in Arizona.

The State Fire Marshal enforces the State Fire Code through the inspections of schools and public buildings and enforces the Fire Safety Complaint Cigarettes and Fireworks Sales laws.

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ ADMINISTRATION	636.1	704.7	777.9	777.9
➤ MANUFACTURED HOUSING	1,222.3	1,109.1	1,247.3	1,247.3
➤ STATE FIRE MARSHAL	767.1	550.5	687.5	687.5
<b>Agency Total:</b>	<b>2,625.5</b>	<b>2,364.3</b>	<b>2,712.7</b>	<b>2,712.7</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	1,746.0	1,699.1	2,047.5	2,047.5
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	879.5	665.2	665.2	665.2
<b>Total Funding</b>	<b>2,625.5</b>	<b>2,364.3</b>	<b>2,712.7</b>	<b>2,712.7</b>
<b>FTE Positions</b>	<b>27.9</b>	<b>23.4</b>	<b>26.5</b>	<b>26.5</b>

**Program Summary**

**ADMINISTRATION**

MaryAnn Knight, Deputy Director Administration  
 Phone: (602) 364-1003  
 A.R.S. § 41-2171 to 41-2196

**Mission:**

*To provide administrative services necessary to support the operations of the Office of Manufactured Housing and the Office of the State Fire Marshal.*

**Description:**

The purpose of the Office of Administration is to provide the administrative services necessary to facilitate the operation of the Office of Manufactured Housing and the Office of the State Fire Marshal, including procedures to ensure compliance with laws and rules relating to the offices.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	422.5	550.7	623.9	623.9
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	213.6	154.0	154.0	154.0
<b>Total Funding</b>	<b>636.1</b>	<b>704.7</b>	<b>777.9</b>	<b>777.9</b>
<b>FTE Positions</b>	<b>7.8</b>	<b>7.4</b>	<b>7.9</b>	<b>7.9</b>

◆ **Goal 1** To be responsive and accurate in response to internal and external requests for administrative services.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Relocation forms received	23	30	35	35	35	35
Relocation claims paid	37	30	31	31	31	31
Customer satisfaction rating (Scale 1-5)	0	0	0	0	0	0



**Program Summary**

**MANUFACTURED HOUSING**

Debra Blake, Deputy Director of OMH

Phone: (602) 364-1003

A.R.S. § 41-2151 to 41-2157

**Mission:**

*To protect the public while maintaining and enforcing standards of quality and safety.*

**Description:**

The purpose of the Office of Manufactured Housing is to maintain standards of quality and safety for manufactured/mobile homes, and accessory structures and factory-built buildings. The standards are maintained by ensuring that the responsibilities for the Office of Manufactured Housing are conducted consistently with minimum standards of the U.S. Department of Housing and Urban Development so as to be designated the "state inspector" for manufactured homes and related industries. The Office implements all existing laws and regulations mandated by the federal government, its agencies and the State for such purposes.

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	635.9	637.6	775.8	775.8
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	586.4	471.5	471.5	471.5
<b>Total Funding</b>	<b>1,222.3</b>	<b>1,109.1</b>	<b>1,247.3</b>	<b>1,247.3</b>
<b>FTE Positions</b>	<b>12.3</b>	<b>10.0</b>	<b>11.1</b>	<b>11.1</b>

◆ **Goal 1** To rapidly and accurately investigate alleged illegal conduct within the manufactured housing industry.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Total number of licenses revoked or suspended	100	60	68	65	65	65
Total investigations conducted	574	530	490	490	490	490
Percent of licensees with disciplinary action	30	20	14	14	14	14
Average calendar days per investigation from start to final adjudication	45	45	45	45	45	45
Percent of investigations resulting in convictions	0	0	0	0	0	0
Percent of investigations resulting in disciplinary enforcement action	22	20	18	18	18	18
Trust account audits	77	75	59	65	65	65
Background investigations	235	235	228	228	228	228
Cease and desist orders issued	14	10	18	18	18	18
Administrative hearings held	22	28	36	36	36	36
Citations and complaints issued	289	250	203	203	203	203

◆ **Goal 2** To expedite licensing of qualified applicants.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Average days from receipt of complete application to granting of license	2	2	2	2	2	2
Licenses issued	172	172	167	170	170	170
Renewals issued	875	877	802	802	802	802
Total individuals or facilities licensed	1,328	1,050	1214	1214	1214	1214
Tests administered	31	31	51	51	51	51

◆ **Goal 3** To ensure safe products for consumers of manufactured/mobile homes and factory-built buildings.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of complaints closed vs. complaints filed	86	80	89	89	89	89

**Explanation:** Lower percentages due to change in definition and process

Program Summary
STATE FIRE MARSHAL
Robert Barger, State Fire Marshal Phone: (602) 364-1003 A.R.S. § 41-2161 to 41-2169

**Mission:**

*To protect the public while reducing hazards to life and property through enforcement of the State Fire Code.*

**Description:**

The Office of the State Fire Marshal establishes a regularly scheduled fire safety inspection program for state and county owned buildings, public and private schools and other occupancies, as well as the review of plans and specifications for construction or remodeling.

Funding:	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
General Funds	687.6	510.8	647.8	647.8
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	79.5	39.7	39.7	39.7
<b>Total Funding</b>	<b>767.1</b>	<b>550.5</b>	<b>687.5</b>	<b>687.5</b>
<b>FTE Positions</b>	<b>7.8</b>	<b>6.0</b>	<b>7.5</b>	<b>7.5</b>

◆ **Goal 1** To increase life safety and property conservation through fire code enforcement.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of enforcement inspections for new construction	1174	1200	1201	1450	1450	1450
Scheduled - State, County, DOC, school buildings inspections	692	750	400	600	600	600

◆ **Goal 2** To ensure public safety by the review of plans for construction, permitting, and the removal of petroleum tanks under DEQ requirements.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Average days from request for inspection to actual inspection of tank removal	14	14	14	14	14	14

**Explanation:** Increase in workload combined with staffing.

Total tank inspections	104	200	207	200	200	200
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**Explanation:** OFM will be required to increase inspections

Average number of days from receipt of plan submittal to initial plan review	38	40	46	40	40	40
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**Explanation:** An increase in turnaround time is expected.

◆ **Goal 3** To reduce hazards to life and property through firefighter training.

# State Forester

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# ARIZONA STATE FORESTRY DIVISION 5 Year Strategic Plan FY 2014-2018



Gladiator Fire Crown King May 15, 2012



**Scott Hunt**  
**State Forester**  
**Arizona State Forestry Division**  
**[www.azsf.gov](http://www.azsf.gov)**

## Message from the State Forester Scott Hunt

I am pleased to provide the Arizona State Forestry Division's strategic plan for the next 5 fiscal years, 2014 - 2018. This document is the agency's path forward to achieving its important wildfire and forest management work. Our Division works across Arizona in wildfire suppression, prevention, and cooperative forestry assistance on State and private lands. I hope that you find that this plan helps you understand the role and the future direction for the agency.

The last several years has challenged the agency with historic fire seasons resulting from unhealthy forests, extended drought conditions, and communities located within the wildland urban interface. We have had the opportunity to take stock, review lessons learned, and work with our stakeholders to develop goals and strategies. One important comprehensive and collaborative document that was extensively utilized in the development of this 5 year plan is the Arizona Forest Resource Assessment and Strategy (Forest Action Plan), published June 18, 2010 by the Arizona State Forester. Many of our strategies in this strategic plan will be prioritized by the focus and priority landscape areas identified in this Forest Action Plan. It is available online at: [http://www.azsf.gov/forest\\_strategy.asp](http://www.azsf.gov/forest_strategy.asp)

The performance measures in this plan will provide a gauge of our success. It will be a useful tool to our employees, cooperators, and the general public. We are currently well underway on many strategies, such as comprehensive wildfire deployment planning, community fire prevention treatments, and leveraging of our cooperative forestry programs. In the wildland firefighting profession, we often talk about our successes in terms of percent containment. A fire that is 100% contained is nearly extinguished, with just a small amount of monitoring needed to make sure it does not rekindle. Just as in a wildfire, we will strive to reach 100% containment of our goals in this plan and monitor our progress through performance measures. We know solving many of the State's forestry and natural resource related management issues will require much longer than five years to address, in some cases decades, but progress cannot be made without a plan. As an agency that prides itself in maintaining a "can-do" attitude, we are excited about the prospects of solving challenges and serving Arizona to the best of our ability.

Scott Hunt



**Governor Janice Brewer with State Forester Scott Hunt (left), Incident Commander Joe Reinartz, and USFS Representative Alan Quan at Wallow Fire Media Briefing**

State Forester

## Executive Summary

The number one priority for the Arizona State Forestry Division (AZSF) is public safety through reducing wildfire threat. Under ARS 37-623, the State Forester is mandated to provide for the prevention and suppression of wildland fires on 22 million acres of state and private lands located outside incorporated municipalities. Through cooperative fire agreements, AZSF also provides wildfire assistance to municipalities and federal agencies. On jurisdiction lands, AZSF responds to an average of approximately 450 wildfires per year that burn 25,000 acres (39 square mile area).

Our other primary role is the delivery of cooperative forestry programs. By statute, AZSF is the primary state agency to receive and manage federal grants relating to forestry. Leveraging these federal dollars allow the Division to retain fire specialists and field foresters to increase its firefighting capabilities and also provide cooperative forest assistance programs to state and local agencies, landowners, communities, forest industry, and non-profit groups. These cooperative programs include community wildfire hazardous fuel reduction, wildfire suppression response capacity building, forest insect and disease prevention, forest industry assistance, forest invasive plant management, forest landowner stewardship, urban and community forestry, tribal outreach and forest easements.

This five year plan addresses 4 key strategic issues:

- Enhance wildland firefighting response and management capacity.
- Strengthen statewide wildfire prevention and mitigation programs.
- Foster and develop the economic, social, and ecological benefits of forests and trees.
- Increase organizational excellence and efficiency.

## Mission

The mission of the Arizona State Forestry Division is to manage and reduce wildfire risk to Arizona's people, communities, and wildland areas and provide forest resource stewardship through strategic implementation of forest health policies and cooperative forestry assistance programs.

## Vision

Communities safe from wildland fire, healthy forests and rangelands, and strong economic development through sustainable natural resource management practices.

## Values

We value the safety of the public and our employees.

We value the diversity and resourcefulness of our employees.

We value employee excellence through training and mentoring.

We value a can-do attitude and achievement.

We value innovation.

We value regular communication and transparency.

We value building and maintaining strong partnerships with our cooperators and the public.

We value focused perseverance in the control of wildfires and other emergencies.

We value wise stewardship of Arizona's natural resources.

We value humility and respectfulness.

## Strategic Issues

Strategic Issue #1: Enhance wildland firefighting response and management capacity.

Strategic Issue #2: Strengthen statewide wildfire prevention and mitigation programs.

Strategic Issue #3: Foster and develop the economic, social, and ecological benefits of forests and trees.

Strategic Issue #4: Increase organizational excellence and efficiency.

### Strategic Issue #1: Enhance wildland firefighting response and management capacity

#### Issue Description:

Recent trends show increasing size, severity, and costs of wildland fire occurrence. The combination of increased statewide population, home development in the wildland interface and unnatural vegetation buildup have set the stage for dangerous wildfires. Across all ownerships, Arizona's average annual fire acreage burned totals have tripled in the last twenty years from 115,000 acres per year between 1992 and 2001, to 375,000 acres per year between 2002 and 2011. As fire size and severity grows, suppression costs also escalate. Mega fires that are measured in the tens of thousands of acres are becoming more commonplace. Large fires are the most costly in terms of structures destroyed, natural resource loss, and post fire losses. Recent studies show the overall economic loss from a wildfire range from 3 to 20 times the suppression cost.

Since frequent fire is a natural ecological process in many of Arizona ecosystems, we know that wildfires cannot be eliminated. AZSF responds to approximately 1500 reported wildfires annually on state and private lands, of which 450 are confirmed wildfires that burn approximately 25,000 acres. In addition AZSF often responds to federally managed fires in the State, either to provide state and local firefighting resources through a federal-state cooperative agreement or to assess threat potential to communities, local infrastructure, and state lands.

**Goal 1: Enhance wildland firefighting response efficiencies.**



**Implementation Strategies:**

Complete comprehensive deployment plan for all state, local, and private contract firefighting resources.

Implement first phase of consolidating state and federal wildland dispatch centers.

Complete new Master Cooperative Wildland Fire Management and Stafford Act Response Agreement with federal land management agencies.

**Goal 2: Increase firefighting suppression capacities.****Implementation Strategies:**

Leverage AZSF preparedness funds with federal, state and local agencies to increase number or availability periods of firefighting resources, including aircraft.

Increase number of certified state and local wildland fire personnel by increasing on-the-job training opportunities through development of statewide position priority list.

Increase number of wildland fire trucks stationed at rural fire departments by promoting Federal Excess Property Firefighting Program.

Maintain full staffing of state inmate fire crews.

**Goal 3: Increase fire business administration efficiencies.****Implementation Strategies:**

Develop web based invoicing systems and training modules for local government and contractor fire suppression billing to AZSF.

Create Arizona State supplement to National Interagency Incident Business Management Handbook.

Create incident business management committee with the Arizona Fire Chief's Association, Arizona Fire District Association, State/County Emergency Management Agencies, and Federal Land Management agencies to review reimbursement rate standardization across the state. Seek grant funding for rate economic study.

Provide additional trained and experienced agency representatives on large wildfire incidents.

**Performance Measures for Strategic Issue #1:**

Comprehensive Statewide Deployment Plan with annual revisions completed.

AZSF completes transition of Tucson area state wildland dispatch responsibilities from the Phoenix area Arizona Interagency Dispatch Center to the Tucson Interagency Dispatch Center.

Transition planning initiated for consolidation of remaining AZSF dispatch responsibilities into second interagency dispatch center.

Master Cooperative Wildland Fire Management and Stafford Act Response Agreement completed in 2014

Development and annual continuance of a statewide task force formed through the Arizona Interagency Coordinating Group to leverage and prioritize use of State preparedness funds and Federal severity funds.

Percent of fires controlled at 100 acres or less.

Percentage annual increase in NWCG qualified firefighting positions tracked by AZSF.

Number of fire departments assisted with equipment suitable for wildland firefighting.

Percentage of local agency and private contractor fire invoices processed within 30 days.

## **Strategic Issue #2: Strengthen statewide wildfire prevention, community preparedness, and mitigation programs**

### Issue Description:

Every resident of Arizona is affected by wildfire directly or indirectly. The risk and cost of wildland fire across Arizona is increasing, particularly large and destructive fires that threaten life, communities, and natural resources. In 2011 alone, the suppression cost of large fires across the State exceeded 200 million dollars and burned over 1 million acres. Protecting the safety of citizens and communities, and other important values such as infrastructure, watersheds, airsheds, timber, rangeland, and wildlife habitat is of critical concern. Many of our forests, wildlands, and community interface areas need mechanical vegetation treatment followed up by regular burning to maintain health and reduce future fire intensities. We know that fire is a key process in many of our forest ecosystems, and using fire as a management tool where appropriate is an ongoing challenge, particularly with air quality concerns.

The Benjamin Franklin quote of “an ounce of prevention is worth a pound of cure” is very appropriate to wildland fires as over 50% of the States wildfires are human caused. Increasing the effectiveness of our fire prevention, community preparedness, and mitigation programs will

pay off in fewer catastrophic fires. Benefits to be gained are communities that are defensible and adapted to wildfire, and a public that is educated and aware of their responsibilities in being outdoors or maintaining their properties in a firewise condition. AZSF needs to continually educate citizens and community leadership to increase awareness of wildland fire issues and preparedness. To better manage and understand Arizona's wildfire issue, a true statewide data picture of wildland fires and their individual causes is needed on state and private lands.

**Goal 1: Assist the public and communities in planning for and reducing fire risks.**

Implementation Strategies:

Assist communities in developing or revising Community Wildfire Protection Plans.

Assist communities and subdivisions in implementing Firewise programs.

Seek and leverage federal grants to perform fuel mitigation projects in high risk areas.

Promote State Inmate Fire Crew program as a tool to increase hazard fuel treatment in and around communities at risk.

Increase wildland urban interface fuel project efficiencies through development of minimum treatment standards for primary Arizona vegetation types.

Increase public and government official's awareness of wildland fire risks and available mitigation tools.

Improve interagency coordination, standards, and public outreach for fire restrictions.

**Goal 2: Increase statistical data and cause determination on wildland fires.**

Implementation Strategies:

Develop and implement web based wildland fire report data system for all state and local agencies.

Develop fire cause determination accuracies by increasing investigation training opportunities for cooperating agencies and seeking funding for statewide wildland fire investigator coordinator.

**Goal 3: Design and implement effective smoke management protocols.**

Implementation Strategies:

Partner with the Arizona Interagency Coordinating Group and Arizona Department of Environmental Quality to develop online smoke data base to streamline the permit request, approval, and management processes while integrating on-line mapping with smoke monitoring and modeling functions.

**Performance Measures for Strategic Issue #2:**

Acres of state and private owned land treated to protect communities from wildland danger and improve natural resource health.

Acres treated by State inmate fire crews.

Number of Communities receiving Firewise USA Recognition.

Number of State qualified Firewise Assessors or Advisors.

Minimum interface treatment standards by fuel type developed.

Number of communities and local agencies educated in wildland risk assessment mitigation tools.

Completion and implementation of web based fire report system.

Number of available State and local wildland investigators.

Smoke database completed.

### **Strategic Issue #3: Foster and develop the economic, social, and ecological benefits of forests and trees**

**Issue Description:**

Due to a variety of factors, including past fire suppression policies, lack of markets for wood products, and recent limited harvesting activities an unnatural buildup of vegetation has occurred throughout the forest types within the State of Arizona. Since the last large mills in the State closed in the early 1990's, harvesting in the ponderosa and mixed conifer forests have declined significantly. All these factors have resulted in a very unhealthy and unnatural accumulation of trees that present a significant threat from wildfires, insects, and disease. The overstocked condition of the forests means that when fires do start they are resistant to control, grow in intensity and size much quicker than was historically the case, and they are much more catastrophic in effect. In addition, the unnatural buildup of our forests results in less surface flow of water, less water in springs and streams, and degraded water quality condition particularly after a fire when the ash and sediment flow. The overcrowded conditions also

weaken the overall health of the forest making them considerably more vulnerable to attack by disease and insects.

Recently the US Forest Service awarded the Four Forest Restoration Initiative contract for 30,000 acres per year, for ten years, of harvest and utilization. The project is designed to foster hazardous fuel reduction, forest restoration, and utilization across the landscape in northern Arizona. This effort follows eight years of work on the White Mountain Stewardship Contract in northeast Arizona. These projects have started to help provide a secure supply of logs to foster industry development, thus allowing more forest restoration and hazardous fuel projects to be completed. There is an opportunity for private and state lands to dovetail with these efforts to get more material removed and utilized that will reduce the number of trees per acre; increase resistance to fires, disease, and insect attack; and allow economic development opportunities to our rural forested communities.

**Goal 1: Progress toward landscape scale outcomes and restoration of unhealthy forest ecosystems.**

Implementation Strategies:

Utilize the 2010 State Forest Action Plan to delineate priority forest landscapes and critical forest issues.

Maintain leadership role and utilize expertise of Forest Health Council to advance forest policies that will foster community wildfire protection, landscape forest management, and forest based economic recovery.

Maintain active AZSF participation in forest and fire related collaborative organizations, such as the Four Forest Restoration Initiative Stakeholders, Prescott Area Wildland Urban Interface Commission, Greater Flagstaff Forest Partnership, and Eastern Environmental County Organization to promote and coordinate multi-jurisdictional landscape efforts.

**Goal 2: Provide stewardship, forest health, and other cooperative forest management assistance to private land and state lands.**

Implementation Strategies:

Increase awareness of AZSF assistance in providing forest stewardship, forest health, and forest legacy programs for private inholdings.

Increase number of stewardship plans and landowner technical assistance that provide direction on making forested lands more resilient and provide economic opportunities.

Provide current public information cooperative forestry issues, including emerging forest health threats and treatment options.

Provide forest management services to State Trust Lands, including forest management planning, silvicultural treatments, forest health treatments, and fire hazard fuel treatments.

Leverage and seek federal grant funds to implement forest stewardship and forest health projects on State and private lands.

**Goal 3: Provide expertise in utilization and marketing to local communities, small businesses, tribes, and others to increase the utilization of hazardous fuel and forest restoration residue (logs) from our forests.**

Implementation Strategies:

Provide a marketing and utilization specialist that can offer technical expertise in harvest systems, mill configurations, market strategies, and equipment development and improvements in the forest industries.

Provide technical expertise in renewable energy projects that propose to make energy from wood waste, forest residues, and small logs.

Maintain current forest industry directories.

**Goal 4: Increase the management of our urban forests and promote their contributions to clean air, water quality, and energy conservation through shading, diversity of wildlife habitat, maintenance of property values, and an improved quality of life for Arizona citizens.**

Implementation Strategies:

Increase outreach to increase awareness of AZSF urban and community programs and available resources.

Develop urban forestry specific training sessions to address inventory needs and build “toolkits” for Arizona communities and encourage urban tree sustainability.

**Performance Measures for Strategic Issue #3:**

Revision of 2010 Forest Resource Assessment and Strategy completed by 2015.

- Active participation in Forest Health Council and collaborative stakeholder groups.
- Number of Forest Management Plans (Stewardship or related) completed or revised.
- Number of forest landowners assisted.
- Number of communities recognized as Tree City USA by National Arbor Day Foundation.
- Number of communities with completed needs assessments to inventory their urban forestry assets.
- Number of forest industry technical assists.
- Number of urban forestry training sessions.
- Completion of cooperative forest information reference library.
- Number of cooperative forestry technical bulletins, threat advisories, or brochures produced.

#### **Strategic Issue #4: Increase organizational excellence and efficiency**

##### Issue Description:

AZSF employs approximately 65 full time and 100 seasonal staff. The workforce is comprised predominantly of natural resource professional and technicians. Expertise within these classifications include firefighting, incident command, fire behavior, dispatch operations, aircraft operations, firewise, forest stewardship, forest utilization, forest health, and urban community forestry. Additional AZSF staff expertise in other personnel classifications include IT, radio communications, fiscal administration, procurement, human resources, and fire equipment renovation and repair.

AZSF has experienced significant leadership loss in the last 5 years due to retirements and movement to federal land management agencies. Due to lean staffing, budget concerns, and limited foresight many of these key positions did not have adequate succession planning. Corporate knowledge, agency momentum, and stakeholder cooperation were common casualties resulting from these key staff vacancies. AZSF has worked diligently to fill most of the lost leadership positions. New staff are still learning their complex jobs, and continual mentoring and training are paramount to the agency's success. Several more key positions are eligible to retire in the next five years, and successional planning will play a key role in maintaining work continuity.

The federal government land management agencies are the primary competitors that recruit AZSF employees. Similar positions within the federal service pay over 35% higher wages. As the

federal land management agencies are also experiencing high numbers of retirements, many openings are available, particularly in wildfire related positions. Our focus will be the evaluation and use of the best available tools to retain top performers and recruit highly experienced candidates. For example using new technologies can provide increased efficiencies and also be used as a retention/recruitment tool for tech savvy employees and job seekers. Collaboration and cooperative efforts with stakeholders is another example that can leverage work outcomes while increasing job satisfaction and career development opportunities.

**Goal 1: Improved employee recruitment quality and retention.**

Implementation Strategies:

Utilize new personnel reform tools in conjunction with existing programs to reward top performance, address low performance, and attract quality job candidates.

**Goal 2: Increase organizational and service efficiencies.**

Implementation Strategies:

Complete training development plans for all employees to include successional planning attributes such as cross training, special assignments, and team leadership roles.

Develop in-house mentoring and training program.

**Goal 3: Evaluate and implement new technologies to increase operational efficiencies.**

Implementation Strategies:

Create in-house technology committee to identify and evaluate new technologies to further the agency's mission and increase efficiencies.

Increase public, cooperators, and internal communication through improved website design and through use of social media.

**Goal 4: Instill a cooperative and collaborative organizational culture.**

Implementation Strategies:

Promote the necessity for collaboration and leveraging to all AZSF employees through leaders intent, training, and mentoring.

Develop an organizational paradigm that all AZSF programs and plans shall consider cooperation and leveraging opportunities with stakeholders.



**Performance Measures for Strategic Item #4:**

Agency turnover rate.

Program customer satisfaction ratings.

Creation of technology committee.

Number of mentors identified.

Standard operating guidelines implemented regarding stakeholder leveraging and cooperation.

<b>Resource Assumptions</b>						
	FY 2013 Appropriation	FY 2014 Budget Request	FY2015 Estimate	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
Full - Time equivalent (FTE) Positions	52	56	56	56	56	56
General Fund	\$4,062.4	\$4,427.3	\$4,312.3	\$4,312.3	\$4,312.3	\$4,312.3
Other Appropriated Funds	\$3,000.0	\$3,000.0	\$3,000.0	\$3,000.0	\$3,000.0	\$3,000.0
Non-Appropriated Funds	\$226.5	\$225.0	\$225.0	\$225.0	\$225.0	\$225.0
Federal Funds	\$2,576.0	\$2,447.2	\$2,324.8	\$2,208.6	\$2,209.0	\$2,209.0
Total Agency Funds	\$9,864.9	\$10,099.5	\$9,862.1	\$9,745.9	\$9,746.3	\$9,746.3

## Agency Summary

STATE FORESTER

Scott Hunt, State Forester  
 Phone: (602) 771-1412  
 A.R.S. §§ 37-621 to 37-644

### Agency Summary: (\$ Thousands)

<b>Program</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ STATE FORESTER	39,909.2	24,596.7	24,961.6	24,846.6
➤ EASTERN COUNTIES ENVIRONMENT GRANTS	75.0	75.0	75.0	75.0
<b>Agency Total:</b>	<b>39,984.2</b>	<b>24,671.7</b>	<b>25,036.6</b>	<b>24,921.6</b>
<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	5,691.0	7,062.4	7,427.3	7,312.3
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	34,293.2	17,609.3	17,609.3	17,609.3
<b>Total Funding</b>	<b>39,984.2</b>	<b>24,671.7</b>	<b>25,036.6</b>	<b>24,921.6</b>
<b>FTE Positions</b>	<b>141.0</b>	<b>141.0</b>	<b>145.0</b>	<b>145.0</b>

**Program Summary**

STATE FORESTER

Scott Hunt, State Forester  
 Phone: (602) 771-1412  
 A.R.S. §§ 37-621 to 37-644

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	5,616.0	6,987.4	7,352.3	7,237.3
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	34,293.2	17,609.3	17,609.3	17,609.3
<b>Total Funding</b>	<b>39,909.2</b>	<b>24,596.7</b>	<b>24,961.6</b>	<b>24,846.6</b>
<b>FTE Positions</b>	<b>141.0</b>	<b>141.0</b>	<b>145.0</b>	<b>145.0</b>

◆ **Goal 1** To enhance wildland firefighting response.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of fires controlled at 100 acres or less.	1361	1,300	96.6	97	97.1	97.2
Percentage of fire departments under cooperative agreement for wildfire response.	1,781	1,781	95	95	96	96
Number of fire departments with issued wildland fire equipment.	4,573	5,000	90	100	110	120
Number of State and local NWCG qualified firefighting positions in State Forestry ROSS/IQS database.	4,573	6,100	2705	2730	2755	2780
Number of hours deployed on wildfires by state inmate fire crews	0	0	73795	80000	80000	85000

◆ **Goal 2** To strengthen wildfire prevention, community preparedness, and fuel mitigation programs.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of acres of state and private land treated to protect communities from wildfire and increase forest health.	98	97	8500	9000	9000	9000
Number of acres of non-federal and federal land treated by State inmate fire crews	1,455	1,500	14211	10000	11000	12000
Number of communities with Firewise Recognition	90	87	46	51	60	70
Number of State qualified Firewise Assessors and Advisors	96	95	88	138	188	188
Number of available NWCG qualified State and local wildland investigators.	897	1,000	3	3	6	8

◆ **Goal 3** To enhance fire business efficiencies.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of local agency and private contractor fire invoices processed with 30 days.	0	0	94	95	96	97
Number of trained State Forester agency representatives available for large fire cost share management.	0	0	20	30	35	35

- ◆ **Goal 4** To effectively deliver cooperative forest and fire programs to enhance protection and stewardship of State, community, and private forest lands.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of forest landowners receiving technical assistance.	0	0	139	210	245	265
Number of forest management plans (Stewardship or related) completed or revised.	0	0	13	15	18	20
Number of communities recognized as Tree City USA by National Arbor Day Foundation.	0	0	20	24	25	26
Number of urban forestry training sessions	0	0	19	21	23	25
Number of technical assists provided to forest industry.	0	0	60	65	70	75
Number of forestry related technical bulletins and threat advisories produced.	0	0	9	15	19	22

- ◆ **Goal 5** To increase organizational excellence and efficiencies.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Agency turnover rate in percent.	0	0	13.6	14	14	13
Customer satisfaction surveys percent	0	0	0	70	75	77

<b>Program Summary</b>						
EASTERN COUNTIES ENVIRONMENT GRANTS						
Scott Hunt, State Forester						
Phone: (602) 771-1412						
Ch 255, HB 2781, 48th Legislature, 1st Session, 2007, An Act						

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	75.0	75.0	75.0	75.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>75.0</b>	<b>75.0</b>	<b>75.0</b>	<b>75.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

- ◆ **Goal 1** To represent and advocate for Greenlee, Graham, Gila, Navajo, and Apache Counties in natural resource issues, including planning and regulatory endeavors with local, state, and federal agencies.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Participation in regional natural resource meetings	35	40	35	35	35	35

**Explanation:** Number of forest health/environmental policy groups requesting representation from members of five eastern counties

Comments provided on natural resource proposed actions, including NEPA	5	5	10	10	10	10
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**Explanation:** Number of invitations rendered to assist assessment of Environmental Impact Statements

# Board of Funeral Directors and Embalmers

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

Five Year Strategic Plan

**ARIZONA STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS**

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## EXECUTIVE SUMMARY

The State Board of Funeral Directors and Embalmers examines and licenses individuals who provide funeral goods and services. The Board accepts complaints against licensed individuals, establishments including staff, investigate allegations, and forwards complaints of criminal/civil matters to appropriate authorities. The Board oversees nearly 1700 licensees practicing in the state, and serves all Arizona citizens who receive funeral goods and services.

Pursuant to statute the Board is required to conduct inspections of establishments and crematories at least once every five years. The Board for the previous ten to twelve years has attempted to maintain and conduct inspections of these locations at least once every year. A reduction in staff and fund sweeps did slow down the process for a short period of time however the agency has implemented its objectives of inspecting each facility annually. Annual inspections tend to reduce the amounts of complaints received by the Board and also serve as an educational tool for licensees.

The Board does not have jurisdiction over cemetery matters within the state and on occasion receive inquires and complaints. Upon receiving such information the consumer is given the telephone number of the Department of Real Estate, the agency responsible for the oversight of cemetery matters. Additionally, residents will inquire information concerning body donations which fall under the purview of the Food and Drug Administration. Body donations play an important role in the enhancement and preservation of human life. When possible the agency will direct residents to the proper authorities.

The Board's rules and statutes approximate the Federal Trade Commission (FTC) funeral Practice Act and in fact are more stringent. The FTC has given the State of Arizona the only exemption from the funeral law because of its strict standards. There have been many attempts to include cemeteries under the purview of the FTC standards for nearly three decades as it relates to funeral goods and services. If successful more consumer protection would be afforded and negative issues or concerns reduced.



## **MISSION**

**The Arizona State Board of Funeral Directors and Embalmers mission is 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.**

## **BOARD VISION**

**To create and maintain a balance between fair and equitable business regulation and the protection of the public's health, safety and welfare in the use and purchase of goods and services required for death.**

## **BOARD PHILOSOPHY**

**To maximize public protection through education and minimal regulation.**

## **BOARD DESCRIPTION**

**The State Board of Funeral Directors and Embalmers examines and licenses individuals who provide funeral goods and services. The Board accepts complaints against licensed individuals, establishments including staff, investigate allegations, and forwards complaints of criminal/civil matters to appropriate authorities. The Board oversees nearly 1700 licensees practicing in the state, and serves all Arizona citizens who receive funeral goods and services.**

## STRATEGIC ISSUES

### Arizona State Board of Funeral Directors and Embalmers

#### Strategic Issue

The largest concerns are statutory deficiencies. Body donor/tissue organizations fall under the purview of the Food and Drug Administration (FDA) and the Anatomical Gift Act. Arizona like many other states is being inundated with organizations that offer free cremation. Based upon the condition of the economy and the number of senior citizens that reside in the state this has created many problems. Many of these organizations are operating without affording proper disclosures that are required by funeral establishments and essentially operate without fear of neither civil actions nor discipline. At the time of death many consumers are not in position to make clear sound decisions, the board would want consumers to be cognizant of the process and handling of remains donated. Only a handful of states have regulation with oversight over body/tissue organizations. On the positive side, this agency has developed a rapport with many donor organizations to coordinate efforts to protect residents and licensees.

#### Goals

**Goal 1:** To ensure that where regulation is required that consumers are only accessing licensed Businesses or individuals and that licenses are only granted and renewed to competent individuals with high standards of professional and ethical conduct.

**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, their rights and obligations.

**Goal 3:** To actively and impartially investigate and resolve allegations and complaints, and provide enforcement to protect the public from incompetent services, unprofessional, unethical and illegal conduct.

#### Strategies

The Board of Funeral Directors and Embalmers constantly strives to ensure optimum service to licensees and consumers alike. The most direct solution to this problem appears to be a reallocation of existing appropriations and continued reduction of force (1 FTE). As the fund balance increases an assessment will take place to review the funds and necessity of seeking the FTE loss. It is anticipated that with the growth in the population of Arizona and subsequent increase in deaths that any fund balance deficiency will correct itself in the near future.

The Board will continue to regulate funeral establishments and their practices including licensees who are responsible for directing, embalming, cremating and providing pre-arranged funerals plans for consumers. Based upon the Boards philosophy to maximize public protection through education and minimum regulation, the agency will continue to provide education and training with the assistance of the Mesa School of Mortuary Science. Licensees will be provided with accurate and timely information when contacting the Board and given accurate information in regards to statutes and rules. In addition, consumers will be ensured that they are given and understand their rights and protection through receipt of the consumer's pamphlet and also provided additional information from the board when requested. Presentations to small and large groups when requested will be honored in an effort to ensure that all residents and licensees are educated in accordance with all regulations and the prevailing practice of the industry. The agency's web site will be a major source of information and education for licensees and consumers. The website will be maintained and continue to provide maximum information for all residents of the state. Applicants for licensure will be thoroughly examined before issuance of license to ensure that only competence and ethical personnel receive licenses. Applicants will be carefully monitored and investigated throughout the application process to ensure that only the most highly qualified personnel are issued licenses. Investigations received as a result of complaints received from residents will also be thoroughly investigated and provide essential and complete information to the board to ensure that disciplinary action when warranted is fair concise and provides protection to both the licensee and consumer alike. Investigations will be completed in an expedient and competent manner. Inspections required by statute which state shall be conducted at least once every five years will be done on an annual basis to afford maximum protection for consumers and annual education to licensee when necessary. Lastly, if possible the board will work with stakeholders from Body donor organizations to provide statutes and or rules to protect residents of Arizona. Performance measures utilized to obtain the boards goals shall be also tools to measure the efficiency and effectiveness of the agency.

### Performance Measures

1. Number of applications received.
2. Average days to renew licenses.
3. Number of Investigations
4. Number of complaints received.
5. Average number of days to investigate.

**6. Average number of days to renew license.**

**7. Percent of consumers receiving pamphlet determined through information received through complaint investigations.**

**8. Number of complaints received as a measure to determine the effectiveness of board's education efforts for both licensee and consumer.**

**RESOURCE ASSUMPTIONS**

	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Full Time Positions FTE</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Funeral Directors Fund</b>	<b>340,600</b>	<b>342,000</b>	<b>344,000</b>	<b>346,000</b>	<b>348,000</b>

## Agency Summary

### BOARD OF FUNERAL DIRECTORS AND EMBALMERS

Rodolfo R. Thomas, Executive Director  
 Phone: (602) 542-3095  
 A.R.S. §§ 32-1301 et. seq.

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	289.8	340.6	340.6	340.6
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>289.8</b>	<b>340.6</b>	<b>340.6</b>	<b>340.6</b>
<b>FTE Positions</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

- ◆ **Goal 1** To ensure that licenses are only granted and renewed to competent individuals with high standards of professional and ethical conduct.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Applications received	1670	1690	1,691	1,720	1,730	1,740
Licenses issued	1669	1,670	1,664	1,700	1,710	1,720
Average days to process license	30	30	30	30	30	30
Number of investigations	20	20	20	20	20	20
Number of complaints received	35	25	22	25	25	25
Average number of days to investigate	30	30	30	30	30	30
Average number of days to renew license	5	5	5	5	5	5

- ◆ **Goal 2** To ensure and enforce that information is made available to both the consumer and the licensee that educates them to the standards of practice relating to providing funeral goods and services.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of consumers receiving pamphlet determined through information received through complaint investigations.	99	99	99	99	99	99
Number of complaints received as a measure to determine the effectiveness of boards education efforts for both licensee and consumer.	12	20	25	20	25	25

- ◆ **Goal 3** To actively and impartially investigate allegations and complaints and provide enforcement to protect the public from incompetent services and unprofessional, unethical, and illegal conduct.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Complaints processed	6	7	8	7	8	8
Average days to renew license	1	1	1	1	1	1
Average days to investigate complaint	30	30	30	30	30	30
Number of licenses	1669	1,670	1,664	1,700	1,710	1,720

# Game and Fish Department

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



# Arizona Game and Fish Department Strategic Plan FY 2013 - 2018

Arizona Game and Fish Department • 5000 W. Carefree Highway • Phoenix, AZ 85086 • 602.942.3000 • [www.azgfd.gov](http://www.azgfd.gov)





**Mission:** To conserve, enhance, and restore Arizona's diverse wildlife resources and habitats through aggressive protection and management programs; and to provide wildlife resources and safe watercraft and off-highway vehicle recreation for the enjoyment, appreciation, and use by present and future generations.

**Description:** The Arizona Game and Fish Department (Department) is part of the executive branch of Arizona state government. State law mandates that the Department manage Arizona's wildlife resources, regulate watercraft use and enforce off-highway vehicle laws. The Department implements rules and policies; taking actions to conserve, preserve, and manage wildlife; enforcing laws that protect wildlife, public health and safety; providing information and safety education programs, and developing partnerships. Wildlife and habitat cross many boundaries and political subdivisions. The Department works in cooperation with sovereign tribes, local government, private land owners, other states and nations.

### **Issue 1. Wildlife Conservation:**

The Department Governance and Finance function must meet the needs of employees and external partners. Legislation, laws, and regulations can impact the Commission's authority to manage wildlife and outdoor recreation. The Commission's authority to manage wildlife in the public trust has been challenged in the past and likely will in the future. Some Department wildlife management programs focus on identifying wildlife resource threats and stressors and reducing their effects. Ultimately, the Department aims to keep common species common and to conserve and restore imperiled species in the public trust.

Conservation of quality habitat is essential in maintaining abundant and thriving wildlife populations. Human activities impact wildlife resources through introduction of invasive species, habitat fragmentation, competition for resources, and habitat manipulation. The Department works to inform and facilitate conservation of wildlife habitats to ensure the long-term well being of the State's resources, while providing reasonable access for the public to enjoy Arizona's wildlife and diversity of habitats. Habitat functionality has decreased due to a variety of impacts: fragmentation, invasive species, wildfires, development, drought, and other natural and human caused events.

### **Issue 2. People:**

Arizona's human population continues to grow at a rate greater than the national average, which creates challenges for wildlife management and conservation including: loss, degradation, and fragmentation of habitat; land and water rights and use conflicts, introduction and expansion of invasive species; increased frequency and intensity of wildland fires; and increased recreation demands on the landscape. Other challenges include long-term drought, wildlife diseases, predator-prey interactions, climate changes, invasive species and other factors may place further pressures on Arizona's wildlife.

The Department must be responsive to sometimes conflicting constituent desires, and must balance those desires with science-based management decisions and available financial resources. Arizona has the highest wildlife diversity of any inland state (over 800 are native). Conserving and restoring wildlife diversity, on a landscape shared with humans, is fraught with

controversy, legal implications and social barriers. Established customers are aging. Fewer people are connecting with nature. There is decreased understanding of the role of hunting and fishing in the North American Model of Wildlife Conservation. Although the numbers of watercraft registered in Arizona has been declining, recreational paddlesports have increased. Off-highway vehicles (OHVs) are used by hunters and some anglers, and by people who simply enjoy driving them. However, Arizona's many land management agencies have different rules and policies governing OHV use, and finding areas for OHVs recreation can be cumbersome.

Activities provided by the Department require access to land and water. However, mosaic land ownership, conflicts with landowners, and the laws regulating access to those lands, make managing wildlife resources, and securing access a challenge.

### **Issue 3. Funding:**

Current revenue does not meet conservation and management needs. Although Arizona's population is growing, revenue used for wildlife management is not keeping pace with management needs. Fewer people are purchasing fishing and hunting licenses, which provides a significant amount of funding for managing all wildlife, both game and nongame. There is a growing need to develop better mechanisms for those that don't hunt or fish to directly support wildlife management. The Department conserves game, sport fish and nongame wildlife species, primarily using revenues from hunting and fishing license sales. Most revenue is from discretionary purchases, of which a large part, albeit declining, is tied to hunting and fishing. There is no mechanism for other wildlife recreationists to directly fund wildlife conservation efforts.

Non-motorized paddlesport craft do not require registration, whereas, registration fees for motorized watercraft support nearly all of the Department's watercraft enforcement, administration and education efforts. Although a requirement to purchase a decal to display on OHVs being used on public lands was enacted a few years prior to this plan, funding to manage OHVs and ensure protection of wildlife habitat and enforce public safety laws is not adequate.

### **Issue 4. The Department's Workforce:**

The Department's mission and values demand a professional and well-trained work force that reflects the diversity of Arizona. The Department has traditionally had a low turnover rate, however many of the Department's leaders are expected to retire in the next several years. The anticipated loss of tenured leaders highlights the Department's need for a robust leadership succession plan.

## **Strategies**

### **Strategies for Issue 1. Wildlife Conservation**

- Retain the Department's wildlife management authority.
- Manage populations using science-based techniques and technology.
- Ensure broad-based public input into hunt guidelines and recommendations, and Commission Orders.
- Manage populations to provide diverse hunting, fishing, and wildlife recreation.

- Ensure wildlife is abundant in balance with competing societal expectations.
- Conserve native wildlife diversity, and manage to reduce impacts of invasive species.
- Manage human-wildlife conflicts.
- Enhance the capacity of habitat to support wildlife.
- Implement habitat and population enhancements.
- Develop wildlife and fishery disease surveillance and response processes.
- Enhance understanding of wildlife recreation as an economic driver in many Arizona communities.

### **Strategies for Issue 2. People:**

- Manage recreation using science-informed decisions considering biological sciences, social sciences and state and local economies.
- Ensure reasonable public access.
- Provide safe, ethical, responsible and diverse outdoor recreation opportunities.
- Diversify and broaden the Department's customer base.
- Increase public awareness of the social, human health and economic benefits of wildlife and outdoor related recreation.
- Maintain public support for hunting and fishing.
- Develop a financially self-sustaining wildlife viewing program.
- Increase the number of licensed hunters and anglers.
- Establish a recognizable Department wildlife related recreational opportunity within reasonable proximity of each Arizonan.
- Manage or support all Commission-owned shooting ranges.
- Provide ADA compliant range facilities at all Commission-owned shooting ranges.
- Increase the percentage of Arizonans who participate in recreational shooting.
- Increase public awareness of safe, responsible and ethical use of watercraft.
- Expand watercraft safety education to include paddlesports and other emerging types of watercraft recreation.
- Use technology to streamline the watercraft registration processes.
- Cross promote boating opportunities with fishing opportunities.
- Conduct outreach events to promote ethical OHV use.
- Develop mechanism to track the number of OHV accidents.
- Increase compliance with OHV decal requirements.

### **Strategies for Issue 3. Funding:**

- Ensure fund balances are adequate to address long- and short-term contingencies.
- Ensure budgets are responsive to customer and agency needs.
- Seek additional sources of funding that involve the Department's diverse constituencies and beneficiaries.
- Maximize financial agility

### **Strategies for Issue 4. The Department's Workforce:**

- Be recognized as a great place to work where people are inspired to achieve the best.
- Strive for a workforce that is representative of Arizona's diverse demographics.
- Recruit, retain and reward the best employees.
- Ensure employees are adequately trained.

- Secure partnerships to prepare potential candidates for Department employment.
- Implement a leadership succession program.

Resource Assumptions						
	FY 2013	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions	623.8	623.8	623.8	623.8	623.8	623.8
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Other Appropriated Funds	\$39,179,300	\$39,352,600	\$39,352,600	\$39,352,600	\$39,352,600	\$39,352,600
Non-Appropriated Funds	\$55,372,100	\$55,372,100	\$55,372,100	\$55,372,100	\$55,372,100	\$55,372,100
Federal Funds	\$32,102,500	\$32,102,500	\$32,102,500	\$32,102,500	\$32,102,500	\$32,102,500
Total Agency Funds	\$94,551,400	\$94,274,700	\$94,274,700	\$94,274,700	\$94,274,700	\$94,274,700

### Agency Summary

#### GAME AND FISH DEPARTMENT

Larry Voyles, Director  
 Phone: (623) 236-7279  
 A.R.S. §§ 17-101 et seq

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ CENTRAL ADMINISTRATIVE SERVICES	4,540.4	7,567.9	7,567.9	7,567.9
➤ GAME MANAGEMENT	31,071.2	29,725.5	29,785.5	29,785.5
➤ SPORTFISH MANAGEMENT	19,224.9	22,743.2	22,784.8	22,784.8
➤ NONGAME AND ENDANGERED WILDLIFE	23,323.3	26,433.7	26,493.7	26,493.7
➤ OFF-HIGHWAY VEHICLE / WATERCRAFT	7,574.6	8,081.2	8,092.9	8,092.9
<b>Agency Total:</b>	<b>85,734.4</b>	<b>94,551.4</b>	<b>94,724.7</b>	<b>94,724.7</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	31,367.7	39,179.3	39,352.6	39,352.6
Other Non Appropriated Funds	54,366.8	55,372.1	55,372.1	55,372.1
<b>Total Funding</b>	<b>85,734.4</b>	<b>94,551.4</b>	<b>94,724.7</b>	<b>94,724.7</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>623.8</b>	<b>623.8</b>	<b>623.8</b>

### Program Summary

#### CENTRAL ADMINISTRATIVE SERVICES

Gary Hovatter, Deputy Director  
 Phone: (623) 236-7288  
 A.R.S. Title 17, A.R.S. Title 5

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	3,763.2	6,916.9	6,916.9	6,916.9
Other Non Appropriated Funds	777.2	650.9	650.9	650.9
<b>Total Funding</b>	<b>4,540.4</b>	<b>7,567.9</b>	<b>7,567.9</b>	<b>7,567.9</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>

- ◆ **Goal 1** To be the recipient of the Governor's Award for Quality (State Quality Award Program) while maintaining and improving employee satisfaction, have employees that perceive themselves as being valued at work, value the work they are doing, and are satisfied with the opportunities for career advancement within the Department.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of employees that feel that the job they do is important.	88	0	84	82	86	88
<b>Explanation:</b> % of employees answering "agree" or "strongly agree" in annual survey.						
Overall job satisfaction.	75	0	66	63	70	75
<b>Explanation:</b> % of employees answering "agree" or "strongly agree" in annual survey.						

**Program Summary**

**GAME MANAGEMENT**

Larry Riley, Acting Asst. Director Wildlife Management Division  
 Phone: (623) 236-7301  
 A.R.S. Title 17

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	10,876.3	11,106.8	11,166.8	11,166.8
Other Non Appropriated Funds	20,194.9	18,618.6	18,618.6	18,618.6
<b>Total Funding</b>	<b>31,071.2</b>	<b>29,725.5</b>	<b>29,785.5</b>	<b>29,785.5</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>243.9</b>	<b>243.9</b>	<b>243.9</b>

◆ **Goal 1** To maintain the natural diversity of game populations in Arizona, while providing sustainable recreational opportunities.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Hunter recreation days (millions)	1.6	0	1.1	1.2	1.3	1.5
<b>Explanation:</b> This includes both big and small game hunting days.						
Ratio of number of big game permit tags to the number of people applying	.56	0	.54	.53	.53	.52
Number of hunting licenses sold.	187,811	0	203,860	195,000	195,000	205,000
<b>Explanation:</b> Data reflect all hunting licenses and combination licenses.						
Number of habitat improvements by AGFD.	117	0	92	90	90	90
Number of Hunter Education graduates.	3,716	0	3,556	3,500	3,500	3,800
<b>Explanation:</b> Number of Hunter Education graduates.						

**Program Summary**

**SPORTFISH MANAGEMENT**

Larry Riley, Acting Asst Director Wildlife Management Division  
 Phone: (623) 236-7301  
 A.R.S. Title 17

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	7,413.8	9,255.2	9,296.8	9,296.8
Other Non Appropriated Funds	11,811.1	13,488.0	13,488.0	13,488.0
<b>Total Funding</b>	<b>19,224.9</b>	<b>22,743.2</b>	<b>22,784.8</b>	<b>22,784.8</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>150.7</b>	<b>150.7</b>	<b>150.7</b>

◆ **Goal 1** To increase public awareness of Arizona's sportfishing resources.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of anglers satisfied with angling information products and services.	74	0	74	75	75	75

◆ **Goal 2** To provide recreational opportunities for sportfishing.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Angler Recreation Days (millions)	5.3	0	5.1	5.1	5.2	5.3

**Explanation:** Angler Recreation Days (millions)

Percent of anglers satisfied with their angling experiences.	71	0	70	70	70	70
Number of urban lake fishing angler days.	683,300	0	680,000	680,000	680,000	680,000
Number of urban fishing licenses sold	30,998	0	30,151	31,000	31,000	31,000

**Explanation:** Reports prior to FY2009 included all urban fishing related licenses sold. This number includes only Class U licenses.

Total number of fishing licenses sold.	328,308	0	345,915	330,000	330,000	330,000
<b>Explanation:</b> Includes all fishing licenses.						
Pounds of fish produced in Department hatcheries.	453,000	0	319,503	300,000	280,000	300,000

**Program Summary**

**NONGAME AND ENDANGERED WILDLIFE**

Larry Riley, Acting Asst Director Wildlife Management Division  
 Phone: (623) 236-7301  
 A.R.S Title 17

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	5,363.4	7,396.2	7,456.2	7,456.2
Other Non Appropriated Funds	17,959.9	19,037.5	19,037.5	19,037.5
<b>Total Funding</b>	<b>23,323.3</b>	<b>26,433.7</b>	<b>26,493.7</b>	<b>26,493.7</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>151.5</b>	<b>151.5</b>	<b>151.5</b>

◆ **Goal 1** To maintain and restore the natural diversity of Arizona’s nongame and watchable wildlife.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of Landowner Incentive Projects (LIP) that were signed.	4	0	4	4	4	4
<b>Explanation:</b> This program lost federal funding in 2009. There are several landowner relation programs that achieve similar results.						
Number of Safe Harbor Agreements and Conservation Agreements signed.	0	0	3	2	2	2
<b>Explanation:</b> This includes certificates of inclusion to existing agreements						
Number of Department-sponsored or Department-involved watchable wildlife events.	55	0	60	60	65	70
<b>Explanation:</b> Includes festivals, expos, and workshops						



**Program Summary**

OFF-HIGHWAY VEHICLE / WATERCRAFT

Leonard Ordway, Assistant Director Field Operations Division  
 Phone: (623) 236-7293  
 A.R.S. Title 17, 28, and 5

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	3,950.9	4,504.2	4,515.9	4,515.9
Other Non Appropriated Funds	3,623.7	3,577.0	3,577.0	3,577.0
<b>Total Funding</b>	<b>7,574.6</b>	<b>8,081.2</b>	<b>8,092.9</b>	<b>8,092.9</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>47.8</b>	<b>47.8</b>	<b>47.8</b>

◆ **Goal 1** To provide law enforcement needed to ensure the boating public is provided a safe/enjoyable experience.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Arizona Game and Fish Department watercraft enforcement hours	12,554	0	10,996	11,000	11,500	11,500

**Explanation:** Decrease may be due to vacant positions and fewer recreation days (economy).

Number of observed watercraft violations	2,461	0	586	2,400	2,400	2,400
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**Explanation:** Decrease may be due to vacant positions and fewer recreation days (economy).

Number of watercraft Operation Under Influence of alcohol (OUI) arrests by Department officers.	51	0	47	50	50	50
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**Explanation:** Number of watercraft Operation Under Influence of alcohol (OUI) arrests by Department officers.

Number of watercraft accidents in which alcohol was a contributing factor.	17	0	19	20	20	20
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**Explanation:** Number of watercraft accidents in which alcohol was a contributing factor.

◆ **Goal 2** To provide excellent customer service to all individuals registering a watercraft in Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of watercraft registered in Arizona	136,925	0	135,939	135,000	135,000	135,000

**Explanation:** Number of watercraft registered in Arizona

Watercraft registration renewal processing time by mail (in days)	5	0	3	3	3	3
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**Explanation:** Watercraft registration renewal processing time by mail (in days)

Percent of watercraft registration handled through the internet.	28.2	0	29.8	30	32	35
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◆ **Goal 3** To provide boaters with safety-training education and information materials to maximize boater safety and enjoyment on the State's waterways.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of students completing Arizona Game and Fish Department sponsored watercraft	1,166	0	959	1,000	1,000	1,000

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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safety classes

**Explanation:** Number of students completing Arizona Game and Fish Department sponsored watercraft safety classes

Dollars available through boating safety grants.      500,000                      0      1,000,000      500,000      500,000      500,000

◆ **Goal 4**      To provide the public and land management agencies with information on habitat protection, safe OHV use, and available OHV use areas.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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Number of off-highway user contacts by Arizona Game and Fish Department field officers                      NA                      0                      1,492                      1,500                      1,500                      1,500

Number of off-highway vehicle violations observed                      638                      0                      700                      700                      700                      700

Number of full time employees who are assigned to OHV duties.                      10                      0                      9.5                      9.5                      9.5                      10.5

# Department of Gaming

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## **FIVE YEAR STRATEGIC PLAN OF THE ARIZONA DEPARTMENT OF GAMING FOR FY 2014 TO FY 2018**

### **I. EXECUTIVE SUMMARY**

The mission of the Arizona Department of Gaming (“the Department”) is to promote the public welfare and public safety by:

- ensuring the integrity of the Indian gaming industry and preventing corrupt influences from infiltrating Indian gaming by regulating and monitoring tribal compliance with the Arizona Tribal-State Gaming Compact,
- enforcing Arizona’s gambling laws by investigating alleged violations that occur on non-Indian lands in the state and cooperating and coordinating with appropriate law enforcement authorities and prosecutorial agencies in the investigation and prosecution of such violations, and
- mitigating the effects of problem gambling in Arizona by providing and supporting problem gambling prevention, education and treatment programs throughout the State.

To that end, the Department monitors and enforces compliance by the Tribal gaming operations of all Compact requirements, including those governing the nature, extent, and conduct of gaming activities; public health, safety, and welfare; and other operational requirements. The Department’s personnel conduct regular inspections of the gaming operations, including the inspection and testing of gaming devices and related equipment; conduct investigations on alleged Compact violations by gaming employees; and perform Compact compliance reviews to monitor the Tribe’s compliance with all the provisions of the Compact, and perform compliance testing of the gaming operations for standard minimum internal controls unique to the gaming industry.

The Department also enforces Arizona’s gambling laws. In connection with this authority, the Department works with law enforcement and prosecutorial authorities throughout the State to investigate and enforce Arizona’s laws that prohibit illegal gambling. The Department gathers and disseminates information involving threats to gaming operations, patrons, and the public. Various responsibilities include distribution of criminal data and tracking of suspicious activities, counterfeit currency, cheating crimes, forged instruments, and W-2G Jackpots. The Department also serves as a liaison between Tribes and other law enforcement agencies and administers the Patron Self-Exclusion Process.

The Department also maintains the Office of Problem Gambling (“OPG”). The OPG is charged with funding and supporting problem gambling prevention, education and treatment programs throughout Arizona. It works with other state agencies and private organizations to promote the message that help and hope are available for people with or affected by problem gambling.

The Department must effectively deal with challenges over which the Department has little control. Those challenges include an evolving legal environment relating to the gaming industry in general and within the State which affect the regulatory authority of and regulatory demands placed upon the State, permissible scope of off-reservation gambling regulation and enforcement activities.

Accordingly, the Department will experience a continuing need for legal representation as long as legal issues relating to the regulation of gaming continue to arise.

Potential variation in Department funding is also a challenge. The Department is funded entirely by the tribal contributions and certification fees. No taxpayer funds (i.e. State General Fund money) are used. As a consequence, the Department's revenues will increase with the growth in Indian gaming. As a corollary, the funding of the Department is subject to the cyclical nature of the general economy because general economic cycles affect gaming related income of Arizona's gaming tribes.

The public perception of the gaming industry also poses potential challenges. There is strong public support for both expansion of gaming and limitation of gaming within Arizona. Growth in gaming provides economic and employment opportunities for Arizona citizens and Indian tribes. As a consequence, there are people and organizations that wish to promote an expansion of gaming off-reservation. In turn, however, there are also people and organizations that wish to limit the scope of permissible gaming activities within the State. They often cite to competitive interests and concerns of social ills that may be associated with gaming. These varying approaches may affect the Compact's promise of limited gaming as well as the enforcement and regulatory efforts of the Department. In any event, the Department's resource needs will grow as off-reservation and tribal gaming activity increases.

The Department has established several quantitative performance goals for specific activities that are critical to meeting the Department's mission and include activities of many divisions of the Department. Those goals include targets for timeliness, stakeholder satisfaction, and field work. The performance goals and how they relate to the Department's mission are summarized below.

Certification Timeliness - Pursuant to the Compact, gaming employees and vendors must be certified before they can work in a casino and the Department is required to meet certain deadlines for issuing certifications. The Compact requires the Department to issue temporary certifications within 20 calendar days, for completed applications where the initial background investigation undertaken by the Department does not disclose that the Applicant has a criminal history or where other grounds sufficient to disqualify the Applicant. Accordingly, the Department has established performance measures to assure that it issues temporary State certifications well within the timelines required in the Compacts. The Department has been meeting these requirements and anticipates that it will continue to do so.

Gaming Vendor Satisfaction - An important group of stake holders of the Department are the gaming vendors that the Department certifies. Those vendors are persons or business organizations wishing to do business with Tribal casinos. After working with a gaming vendor, the Department requests feedback in the form of a survey card. The Department's target is that 99% of gaming vendor applicants are satisfied with their experience with the Department. The Department has been consistently meeting this metric.

Machine Inspections and Certifications - A significant part of the Department's responsibilities include being present and performing field work at Tribal casinos and other locations. It is the responsibility of the Department's Machine Compliance Unit to both certify all gaming devices before they are put into play at casinos and approve all upgrades and modifications. In addition, the Machine Compliance Unit performs random, unannounced inspections of gaming devices at Tribal casinos. The Department's target is to inspect and certify 14,000 gaming devices annually. The Department regularly meets this measure and intends to continue doing so.

Casino Visits - Special Agents of the Department's Investigations and Inspections Unit must be present in casinos in order to perform their job duties, which include performing on-site

inspections of the casinos and their operations to ensure they are in compliance with the Compact; interacting with Tribal regulators, performing investigations, and reviewing surveillance and security; assisting with Compact Compliance Reviews; and performing myriad other tasks. The Department's target is 10 visits to each casino per month by Special Agents of the Investigations and Inspections Section. Many of these casino visits occur outside of the Department's normal business hours, including some visits between 12 midnight and 6:00 a.m. The Department consistently meets this expectation and plans to continue to doing so.

Compact Compliance Reviews - The Department also conducts numerous on-site (i.e., at casinos) audits. The Department is authorized to perform annual Compact Compliance Reviews ("CCR") for each Tribe. These CCRs require significant amounts of field work at casinos. The Department's target is to complete 15 CCRs each year. The Department has met, and anticipates it will continue to meet this target each quarter.

## **II. FIVE YEAR STRATEGIC PLAN OF THE ARIZONA DEPARTMENT OF GAMING FOR FY 2014 - FY 2018**

### **A. AGENCY VISION**

The Arizona Department of Gaming is committed to protecting the public safety and welfare by ensuring the honesty and integrity of Indian gaming, enforcing Arizona's gambling laws, and ameliorating the effects of problem gambling in Arizona.

### **B. AGENCY GUIDING PRINCIPLES**

1. Effectively enforcing Arizona's gaming laws including the regulation of Indian gaming and monitoring and enforcement of the gaming compacts.
2. Establishing and maintaining good relationships with law enforcement authorities both on and off reservation land.
3. Establishing and maintaining good relationships with Indian tribes and/or their Tribal Gaming Offices.
4. Openly communicating with regulated Indian tribes and fostering development of working relationships.
5. Being responsive to the needs of applicants for certification.
6. Establishing and maintaining cooperative relationships with individual and corporate applicants in order to foster better licensing decisions.
7. Providing and supporting effective problem gambling prevention, treatment, and education programs throughout Arizona and working with state and private agencies to build awareness of problem gambling.
8. We are committed to effectively managing the growth of our Department, promoting the most efficient and effective use of our resources and encouraging relevant personal and professional development among our team members.

### **C. AGENCY MISSION STATEMENT**

The mission of the Arizona Department of Gaming ("the Department") is to promote the public welfare and public safety by:

- ensuring the integrity of the Indian gaming industry and preventing corrupt influences from infiltrating Indian gaming by regulating and monitoring tribal compliance with the Arizona Tribal-State Gaming Compact,
- enforcing Arizona's gambling laws by investigating alleged violations that occur on non-Indian lands in the state and cooperating and coordinating with appropriate law

enforcement authorities and prosecutorial agencies in the investigation and prosecution of such violations, and

- mitigating the effects of problem gambling in Arizona by providing and supporting problem gambling prevention, education and treatment programs throughout the State.

See Arizona Revised Statutes (“A.R.S.”) §§ 5-602(C), 5-602(J), 13-3871 and 13-3883.

#### **D. AGENCY DESCRIPTION**

##### **1. HISTORICAL BACKGROUND**

The United States Congress enacted the Indian Gaming Regulatory Act (“IGRA”) of 1988, 25 U.S.C. 2000 et seq., which established basic federal regulations and enforcement responsibilities for Indian gaming on reservations. The legislative history of IGRA indicates that Congress adopted this legislation in an attempt to promote Tribal economic development while providing a framework for legitimate federal and state regulatory concerns.

Pursuant to IGRA, there are three basic forms of gaming. Class I gaming pertains to traditional forms of Indian gaming engaged in by individuals as part of, or in connection with, Tribal ceremonies or celebrations or social games played solely for prizes of minimal value. IGRA grants exclusive regulation of these games to the individual Indian Tribes.

Class II gaming includes the game of chance commonly known as bingo (whether or not electronic, computer, or other technological aids are used in connection therewith):

- (1) which is played for prizes, including monetary prizes, with cards bearing numbers or other designations;
- (2) in which the holder of the card covers such numbers or designations when objects, similarly numbered or designated, are drawn or electronically determined; and
- (3) in which the game is won by the first person covering a previously designated arrangement of numbers or designations on such cards, including (if played in the same location) pull-tabs, lotto punch boards, tip jars, instant bingo, and other games similar to bingo.

Class II gaming also includes card games that are explicitly authorized by the laws of the State or are not explicitly prohibited by the laws of the State and are played at any location in the State, but only if such card games are played in conformity with those laws and regulations (if any) of the State regarding hours or periods of operation of such card games or limitations on wagers or pot sizes in such games. Class II gaming does not include any banking card games, including baccarat, chemin de fer, or blackjack (21), or electronic or electromechanical facsimiles of any game of chance or slot machines of any kind. This classification of gaming is also reserved for Tribal regulation with federal oversight.

Class III gaming includes all other forms of gaming not covered by Class I or Class II. These include video casino games (e.g., video slots, video blackjack, and video poker), keno, slot machines, banked table games (e.g., blackjack, craps, and roulette) and other gaming (e.g., poker, sports betting, lotteries, and pari-mutuel wagering). Class III gaming is only permitted on Indian land under certain specific conditions which include that the activity is conducted in compliance with the terms of a written Tribal-State Compact entered into between the Indian Tribe and the state in which the gaming is located and which has been approved by the Secretary of the Interior. Laws 1992, Ch. 286, § 4 (effective July 1, 1992), A.R.S. § 5-601, established the Arizona State Gaming Agency within



the Arizona Department of Racing to carry out the responsibilities of the State resulting from the execution of Tribal Gaming Compacts by the Governor pursuant to IGRA. During the period of 1992-1994, the State successfully negotiated the State's initial Tribal-State Gaming Compacts with 16 Indian Tribes. Those Tribal-State Compacts provided for State regulation of approved Class III gaming activities on Tribal lands in Arizona.

Recognizing the growth of Indian gaming in the State and the need for an independent regulatory body with expertise in gaming, the Arizona Legislature passed Laws 1995, Chapter 76, which created the Arizona Department of Gaming ("the Department") effective July 13, 1995. In 2001 through 2002, the Governor, with assistance from the Department, successfully negotiated the terms of new Compacts with 21 Arizona Tribes for State regulation of approved Class III gaming activities on Tribal lands in Arizona.

The current Compact was passed by the Arizona voters as Proposition 202 in the November 2002 General Election and took effect on November 25, 2002. (The current Compact is part of State law in A.R.S. § 5-601.02.) In addition to replacing the previous Compacts and establishing updated regulatory parameters for Class III gaming activities, the new Compacts require that the Tribes make monetary contributions to the State based on the net revenues received from gaming operations. The Proposition authorized the State to enter into and maintain Tribal Compacts for up to 23 years.

At present, there are 15 Arizona Tribes that operate 22 Class III casinos in the State. Another six Tribes do not have casinos but have slot machine rights that they may lease to Tribes with casinos. (Such arrangements are known as "transfer agreements.") One Arizona Tribe does not have a Compact.

Arizona casinos had cumulative gross gaming revenues of \$1.78 billion for the State fiscal year ending on June 30, 2012. Tribes contribute 1 to 8 percent of their gaming revenue to the State and local governments. Each Tribe's contribution is determined on a sliding scale based on the amount of the Tribe's gaming revenue that year. The Department verifies that each Tribe pays the correct amount to the State, cities, towns, and counties. As of June 30, 2012, Arizona's Tribes had contributed over \$794 Million to the State and its cities, towns and counties since the Compacts went into effect in 2003.

The Department is funded entirely by the tribal contributions and certification fees. No taxpayer funds (i.e. State General Fund money) are used. The Department has an appropriated budget of approximately \$12.087 Million for Fiscal Year 2013.

## **2. The Current Gaming Compacts**

The Arizona Tribal-State Gaming Compacts and their appendices authorize the State to monitor casino operations, limit the number and type of permitted games, establish technical standards for gaming machines, permit the State to audit casinos, give the State access to casino property, and mandate background investigations and certification of casino employees and vendors.

The Compacts last for ten years, and can be renewed for one term of ten years and one additional term of three years. Most of the current Compacts took effect in late 2002, with the remainder taking effect during 2003. They replaced the first set of Compacts. The current Compacts and appendices require:

- A minimum theoretical percentage payout of 80 percent for slot machines during the expected life of the game.

- A minimum theoretical percentage payout of 83 percent for video poker games, and 75 percent for keno during the expected life of the games.
- A maximum of 18,158 slot machines in the State, including transfer agreements. Currently, there are about 14,645 slot machines.
- A maximum of 1,301 slot machines in any one casino. A slot machine wage limit of \$29 applies to most Tribes.
- A maximum of 3,318 blackjack and poker tables in the State.
- A combined maximum of 119 blackjack and poker tables in any one casino and bet limits for poker and blackjack.
- A maximum of 43 casinos in the State. That includes a combined maximum of 29 casinos for gaming Tribes that had casinos at the time the Compact took effect in 2003. It also includes a combined maximum of 14 casinos for non-gaming Tribes that didn't have casinos in 2002. If a Tribe leases its slot machine rights to another Tribe, which many have done, then the number of casinos the leasing Tribe can operate is reduced.

In addition, the current Compacts specify that:

- Any Tribe may transfer its slot machine rights to other Tribes. These transfer agreements allow remote Tribes to receive gaming money.
- Tribes must have a law enforcement plan to address criminal and undesirable activity at the casinos and provide for sufficient law enforcement resources to protect public health, safety, and welfare.
- Tribes must have an on-line electronic monitoring system that will speed the flow of slot machine data to the Department. In urban casinos, the Department will have remote access to real-time information on casino games.

Under the current Compacts, Tribes with casinos contribute 1 to 8 percent of their gaming revenue each year to the State, and to cities, towns, and counties. The money is used for programs that benefit Arizona residents. Tribal contributions fund the following programs:

- Education - instructional improvement for schools;
- Trauma and emergency care;
- Wildlife conservation;
- Arizona tourism;
- Department of Gaming operating costs;
- Problem gambling prevention, treatment, and education; and
- Community services and public safety programs for local governments.

### **3. What the Department Does**

Since its inception, the role of the Department has evolved from an entity that primarily assisted the Tribes in opening their casinos to one that is proactively involved in the monitoring of the gaming operations and enforcing Arizona's gaming laws. Initially, the Department had only a handful of employees and limited resources with which to carry out the State's responsibilities under the Tribal-State Gaming Compacts. Consequently, the Department was significantly constrained in its enforcement role under the Compacts. Over time, however, the Department has grown and acquired the resources and personnel necessary to carry out the State's full statutory responsibilities.

**a) Ensuring the integrity of the Indian gaming industry and seeking to prevent corrupt influences from infiltrating Indian gaming**

Part of the Department's stated mission is to protect the public welfare and safety by ensuring the integrity of the Indian gaming industry and seeking to prevent corrupt influences from infiltrating Indian gaming. To that end, the Department monitors and enforces compliance by the Tribal gaming operations of all Compact requirements, including those governing the nature, extent, and conduct of gaming activities; public health, safety, and welfare; and other operational requirements. The specific tasks undertaken by the Department's personnel are described below.

Inspection of Slot Machines:

The Department inspects and certifies more than 1,000 slot machines and gaming devices each month during on-site visits to casinos. The Department inspects the machines, software, and electronic slot monitoring systems, and reviews casino records to make sure that the machines pay their required payout percentages and are operating properly. In connection with that responsibility, the Department conducts random spot checks at approximately 10 to 12 casinos each month. Technicians arrive unannounced at a casino and may test up to 50 randomly selected machines.

The Department inspects and certifies slot machines and gaming devices every time a casino installs a new machine, upgrades software on a machine, changes the percentage payout, or converts a machine to a new game theme. The Department makes sure that the machines and game management systems accurately record the amount of money that goes in and out of the machines. All gaming software and electronic slot monitoring systems are tested by an independent testing lab before the machines are even shipped to Arizona. The independent lab makes sure the games are uncorrupted and meet Arizona's strict gaming standards.

Certification of Gaming Employees:

As part of the certification process, the Department is authorized to conduct background investigations in order to ensure that unsuitable individuals or companies are not involved in Arizona's Indian gaming industry. With respect to Tribal members seeking employment in Indian casinos, the Department also makes recommendations to the Tribes based on background checks. In Fiscal Year 2011, the Department certified 1,035 non-Tribal members and issued tribal licensing recommendations to 379 Tribal members, for a total of 1,414 new employee investigations. Additionally, the Department issued 6,961 non-Tribal member certification renewals and 2,060 Tribal member licensing renewal recommendations, for a total of 9,021 renewal investigations. (Note: These statistics will be updated prior to January 1, 2013 to reflect FY 2012).

Certification of Gaming Vendors:

The Department is responsible for issuing State certification for non-Tribal individuals seeking employment with an Indian casino and companies seeking to provide gaming services to Indian casinos in an amount greater than \$10,000 in any given month. The Department conducted detailed background investigations on 100 new applicants and 233 renewal applicants for vendor certification in Fiscal Year 2012. Companies must complete a detailed recertification process every two years.

#### Approval of Tournaments, Drawings:

Casinos must receive approval from the Department before they can conduct tournaments, drawings, promotions, and cash or prize giveaways. The Department approved 1,190 drawings, promotions, tournaments, and new games in Fiscal Year 2010.

#### Tribal Investigations & Inspections:

The Department:

- Performs on-site inspections of casinos and monitors gaming operations.
- Assures public safety through continual oversight of gaming facilities to ensure use of appropriate security and surveillance procedures.
- Investigates suspected Compact violations and criminal or suspicious activities.

#### Intelligence:

The Department conducts investigations and cooperates with local law enforcement agencies to investigate and prosecute alleged illegal off-reservation gaming activities. The Department also gathers and disseminates information about threats to gaming operations and facilities in the State. The Department maintains and disseminates a self-exclusion list of about 2,000 compulsive gamblers who have agreed to not enter any Arizona casino for 1, 5, or 10 years.

#### Audits:

The Department conducts annual on-site audits of each casino to review compliance with the Compact and its appendices. A Compact Compliance Review team typically includes 10 to 12 Department employees. A review lasts from one to two weeks. During a Compliance review, the Department audits casino books and records, and electronic slot accounting and monitoring systems. The Department also evaluates casino minimum internal control standards and procedures and checks hundreds of items ranging from cash handling procedures to video surveillance to casino giveaways of free meals.

### **b) Enforcing Arizona's gambling laws**

The Department also protects the public safety and welfare by enforcing Arizona's gambling laws. The Department is explicitly authorized to investigate violations of A.R.S. § 13-3306 that occur on non-Indian lands in the state and to cooperate with appropriate law enforcement authorities and prosecutorial agencies in the investigation and prosecution of such violations. A.R.S. § 5-602(J). Section 13-3306 prohibits the possession of a gambling device when the person in possession knowingly intends to use for illegal gambling purposes. In addition, the Department is authorized to and employs several certified peace officers. *See* A.R.S. § 5-603. Every peace officer is statutorily authorized to exercise his/her authority to investigate and make arrests for misdemeanor or felony violations of A.R.S., Title 13 in any jurisdiction where he/she has been authorized by the person having primary responsibility for law enforcement within the relevant jurisdiction or territory. A.R.S. §§ 13-3871 and 13-3883. That authority encompasses all of the criminal gambling statutes set forth in A.R.S., Title 13, Chapter 33 (A.R.S. §§ 13-3301 through 13-3312). In connection with this authority, the Department works with law enforcement and prosecutorial authorities throughout the State to investigate and enforce Arizona's laws that prohibit illegal gambling.

### **c) Mitigating the effects of problem gambling in Arizona**

In addition, the Department accomplishes its mission to protect the public safety and welfare in part through its Office of Problem Gambling (“OPG”). The OPG is charged with funding and supporting problem gambling prevention, education and treatment programs throughout Arizona. It works with other state agencies and private organizations to promote the message that help and hope are available for people with or affected by problem gambling. As noted above, in 2002 the people of Arizona passed Proposition 202 which included a provision requiring the establishment and maintenance of programs directed at ameliorating problem gambling. Pursuant to A.R.S. § 5-601.02(H)(3)(a)(ii), two percent of the monies deposited by the Tribes into the Arizona Benefits Fund are to be used by the Department to fund State and local programs for the prevention and treatment of, and education concerning, problem gambling. Accordingly, in September 2003, the Department created the Office of Problem Gambling. OPG’s duties and responsibilities include:

- Providing and supporting problem gambling programs that include prevention, treatment, and education;
- Overseeing a 24/7 crisis and referral helpline: 1.800 NEXT STEP;
- Contracting with behavioral health treatment professionals to provide programs for treating and educating individuals with gambling problems, and preventing further gambling problems;
- Contracting with behavioral health treatment professionals skilled in problem gambling program training to provide training and education to other behavioral health treatment professionals to enable them to provide quality counseling and training to those needing help with gambling problems;
- Monitoring all behavioral health treatment providers and trainers to ensure that they meet the requirements outlined in their respective contracts. (With respect to monitoring, OPG regularly conducts audits of the treatment providers.);
- Representing the state in conferences and symposia in order to educate the public that help and hope are available to problem gamblers and those affected by problem gambling;
- Supporting the efforts of casinos, race tracks, and the Lottery to implement and carry out responsible gaming policies and programs; and
- Working with state and private agencies to build awareness of problem gambling and to promote prevention programs.

#### **E. AGENCY INTERNAL/EXTERNAL ASSESSMENT SUMMARY**

The Department must effectively deal with challenges over which the Department has little control. Although Indian gaming in Arizona is almost a \$2 Billion Dollar industry annually, that industry and its regulation continue to change. For example:

- The legal environment relating to the gaming industry in general and within the State continues to evolve. For example, there is pending federal legislation concerning internet gaming, evolving case law concerning where tribes may locate casinos and consistent discussions to enter into agreements concerning the scope and meaning of the Tribal State Compacts.
- The scope of off-reservation gambling regulation and enforcement activities is also uncertain. For example, there recently have been indications that there may be legislative proposals to authorize off-reservation gambling and there are presently numerous store front locations throughout the state that offer gaming activities.

- It is difficult to accurately project the Department's funding. As noted above, the Department is funded entirely by the tribal contributions and certification fees. No taxpayer funds (i.e. State General Fund money) are used. General economic cycles affect gaming related income of Arizona's gaming tribes and thereby the funding of the Department. Finding an accurate method of prognosticating the projected income of Arizona's gaming tribes is difficult.
- Continuing to be able to attract qualified employees will continue to be a challenge.
- Meeting regulatory demands may pose challenges. Funding for those activities may be affected by circumstances outside of the Department's control including the amount of funding actually received from tribal contributions and the amount of regulatory demand. Regulatory activity may be subject to construction of new casinos, increased or decreased hiring demand by casinos, and the amount of off-reservation gambling activity.

### 1. Agency Threats

- A movement to expand gaming off-reservation may affect the Compact's promise of limited gaming as well as the enforcement and regulatory efforts of the Department.
- Pending federal legislation may affect to scope of the regulatory authority of the Department.
- Pending federal court cases could alter the size and scope of gaming in Arizona and, thereby the regulatory demands placed upon the Department.
- There is strong public support for both expansion of gaming and limitation of gaming within Arizona.

### 2. Agency Opportunities

- Agency revenues will increase with the growth in Indian gaming.
- Growth in gaming provides economic and employment opportunities for Arizona citizens and Indian tribes.

### 3. Planning Assumptions

- The Department's resource needs will grow as off-reservation and tribal gaming activity increases.
- The Department will experience a continuing need for legal representation as long as legal issues relating to the regulation of gaming continue to arise.
- Additional mandates will require additional funding.

## **F. AGENCY GOALS, OBJECTIVES AND PERFORMANCE MEASURES**

The Department's objectives derive from the Department's stated mission set forth above. From those objectives, the Department has established several quantitative performance goals for specific activities that are critical to the Department meeting its mission. The level of the Department's success in achieving those goals is evidenced by the performance standards described below.

### 1. Agency Objectives Summary:

- a) Ensuring the integrity of the Indian gaming industry and preventing corrupt influences from infiltrating Indian gaming by regulating and monitoring tribal compliance with the Arizona Tribal-State Gaming Compact,

- b) Enforcing Arizona’s gambling laws by investigating alleged violations that occur on non-Indian lands in the state and cooperating and coordinating with appropriate law enforcement authorities and prosecutorial agencies in the investigation and prosecution of such violations, and
- c) Mitigating the effects of problem gambling in Arizona by funding and supporting problem gambling prevention, education and treatment programs throughout the State.

2. Agency Goals Summary:

- **Goal 1:** To enforce Arizona gambling laws and assure compliance with compact provisions and internal control requirements.

<b>Performance Measures</b>	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
Total number of Compact compliance reviews completed	15	15	15	15	15	15
Percentage of facilities reviewed for compact compliance reviews	100	100	100	100	100	100

- **Goal 2:** To maintain communication with tribal officials by visiting each casino at least twice a month.

<b>Performance Measures</b>	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
Average visits per casino each month	10	10	10	10	10	10

- **Goal 3:** To monitor and enforce technical standards for gaming devices.

<b>Performance Measures</b>	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
Total number of gaming devices inspected and certified	14,000	14,000	14,000	14,000	14,000	14,000
Percent of all gaming devices certified	100	100	100	100	100	100

- **Goal 4:** To ensure the suitability of people employed by the Tribal Casinos

<b>Performance Measures</b>	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
Number of individual applications for certification received	10,000	10,000	10,000	10,400	10,800	11,200
Number of days elapsed between receipt of the application and issuance of temporary certification	6	6	6	6	6	6
Percentage of applicants granted certification or renewal	98	99	99	99	99	99
Percentage of applicants for whom certification is denied, revoked or suspended	2	1	1	1	1	1

- **Goal 5:** to ensure suitability of vendors that provide goods or services to the Tribal Casinos.

<b>Performance Measures</b>	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
Number of new or initial applications for certification received	100	100	100	105	110	115
Number of permanent certifications issued	110	110	110	115	120	125
Number of renewals issued	200	200	200	205	210	215
Number of denials, revocations & suspensions	2	2	2	2	2	2
Percent of	95	95	95	95	95	95



temporary certifications issued within 20 days of receipt of application						
Satisfaction level in terms of percentage reported by applicants concerning the certification process	99	99	99	99	99	99

- **Goal 6:** To provide treatment and education concerning problem gambling.

<b>Performance Measures</b>	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
Number of people receiving treatment services in the State	875	875	875	875	875	875
Number of awareness materials distributed	15,000	15,000	15,000	15,000	15,000	15,000

**Agency Summary**

DEPARTMENT OF GAMING

Mark Brnovich, Director  
 Phone: (602) 771-4263  
 A.R.S. § 5-601

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ ENFORCEMENT	9,808.9	10,084.0	11,094.6	11,651.2
➤ CERTIFICATION	2,033.3	2,003.8	2,003.8	2,003.8
<b>Agency Total:</b>	<b>11,842.2</b>	<b>12,087.8</b>	<b>13,098.4</b>	<b>13,655.0</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	11,842.2	12,087.8	13,098.4	13,655.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>11,842.2</b>	<b>12,087.8</b>	<b>13,098.4</b>	<b>13,655.0</b>
<b>FTE Positions</b>	<b>123.0</b>	<b>115.3</b>	<b>115.3</b>	<b>115.3</b>

**Program Summary**

**ENFORCEMENT**

Dan Bergin, Deputy Director  
 Phone: (602) 771-4263  
 A.R.S. § 5-601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	9,808.9	10,084.0	11,094.6	11,651.2
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>9,808.9</b>	<b>10,084.0</b>	<b>11,094.6</b>	<b>11,651.2</b>

<b>FTE Positions</b>	<b>95.0</b>	<b>87.3</b>	<b>87.3</b>	<b>87.3</b>
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◆ **Goal 1** To enforce Arizona's gambling laws and assure compliance with compact provisions and internal control requirements

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total number of compact compliance reviews accomplished	15	15	15	15	15	15
Percentage of facilities reviewed for compact compliance reviews	100	100	100	100	100	100

◆ **Goal 2** To maintain communication with tribal officials

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average visits per casino each month	10	10	10	10	10	10

**Explanation:** Goal is to visit each gaming facility at least twice per month.

◆ **Goal 3** To monitor and enforce technical standards for gaming devices

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total number of machines inspected and certified	13,908	14,000	13,981	14,000	14,000	14,000
Percent of all gaming devices certified	100	100	98.98	100	100	100

◆ **Goal 4** To provide treatment and education regarding problem gambling

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of individuals receiving treatment services	823	850	840	850	850	850
Number of awareness materials distributed	7,768	8,000	19,724	15,000	15,000	15,000

**Program Summary**

**CERTIFICATION**

Dan Bergin, Deputy Director  
 Phone: (602) 771-4263  
 A.R.S. § 5-601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	2,033.3	2,003.8	2,003.8	2,003.8
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>2,033.3</b>	<b>2,003.8</b>	<b>2,003.8</b>	<b>2,003.8</b>
<b>FTE Positions</b>	<b>28.0</b>	<b>28.0</b>	<b>28.0</b>	<b>28.0</b>

◆ **Goal 1** To Ensure the Suitability of Individuals Employed by the Tribal Casinos

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total number of individual applications received	8,569	10,000	8,629	10,000	10,000	10,000
Total number of days elapsed from receipt of completed application to the issuance of temporary certification	4	6	3	6	6	6
Percentage of applicants granted certification or renewal	99	98	99	98	99	99
Percentage of applicants who had their certification, denied, revoked or suspended	1	2	1	2	1	1

◆ **Goal 2** To Ensure the Suitability of Businesses that Provide Goods and Services to the Tribal Casinos

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total number of new or initial applications received	109	115	96	100	100	100
Total number of permanent certifications issued	102	110	108	110	110	110

**Explanation:** The number of issued certifications decreased because the department waived the certification requirement for 20 vendors that the department determined certification was not necessary to protect the public interest.

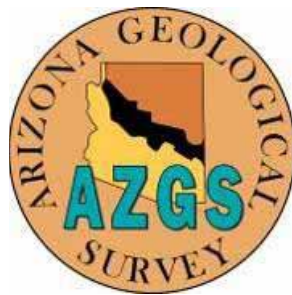
Total number of renewals issued	196	200	233	200	200	200
Total number of denials, revocations, and suspensions	2	2	3	2	2	2
Percent of temporary certifications issued within 20 days	94	95	92	95	95	95
Level of satisfaction by applicants regarding process (percent)	99	99	99	99	99	99

# Geological Survey

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# Arizona Geological Survey: Strategic Plan FY14-FY18

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State Geologist and Director**

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## Executive Summary

The Arizona Geological Survey has taken on significant new responsibilities over the last five years resulting in a tripling of budget and staff, and a shift from predominantly state funding to primarily contract and grant funding. Our strategic planning focuses on:

1. Maintaining the funding levels attained, which help underwrite statutory duties
2. Renewing the agency's historical capabilities in mineral resources
3. Continuing statewide assessment, response to, and mitigation of natural hazards
4. Completing digitization and integration of all data sets
5. Leveraging global leadership in "Big Data" for the benefit of AZGS and other state agencies and organizations, and
6. Expanding our public engagement through a full-service Phoenix branch including an Arizona Experience store, and social and web media.

## Mission Statement

The Arizona Geological Survey was established to be a primary source of geologic information and inform, advise, and assist government, industry, and the public about the geologic character of Arizona, geologic hazards and limitations, and mineral resources ((ARS 27-152).

## Agency Description

The Arizona Geological Survey (AZGS) helps protect the lives and property of Arizonans from geologic risks and contributes to the discovery and characterization of natural resources for their wise use towards economic development.

Originally the Office of the Territorial Geologist (1883-1912), the office was integrated with the University of Arizona Bureau of Mines (1893-1915) and subsequently became known as the Arizona Bureau of Mines (1915-1977) within the University of Arizona. The Legislature created the Bureau of Geology and Mineral Technology (1977) with a Geological Survey Branch to replace the Arizona Bureau of Mines. In 1987, the Legislature reshaped the Geological Survey Branch into the Arizona Geological Survey and removed it from administration by the University to become an independent state agency. As an independent agency, the mission of the AZGS has shifted from teaching and research to applied geology and public service for the state.

Specifically, we serve Arizonans by:

1. Helping protect people and property from geologic hazards, including floods, landslides, debris flows (including post-wildfire debris flows), earthquakes, Earth fissures and cracks, subsidence, rock falls, karst or solution collapse, and natural contamination of ground waters.
2. Encouraging the wise use and development of the state's mineral and energy resources, including staffing the independently appointed Oil and Gas Conservation Commission since 1991.
3. Informing the public, industry, government, and academia about the geologic character of the state in order to foster informed decision making about natural hazards and natural resources, including enjoyment of the state's natural recreational resources.

To carry out these objectives the Arizona Geological Survey:



1. Conducts fieldwork and investigations to map and describe bedrock and surficial units, identify and characterize geologic hazards and societal risks, and seek out and evaluate energy and mineral resources.
2. Publishes and disseminates objective, scientific information to the public in a timely manner.
3. Provides archival storage of, and public access to, geologic data, maps, reports, files, rock cuttings and cores from wells and other samples.
4. Provides administrative and staff support for the Arizona Oil and Gas Conservation Commission.
5. Maintains multiple internet web sites that include information about the AZGS products and services available and the geologic character of the state.
6. Maintains an online digital repositories of maps, reports, and databases on the geology of Arizona.

The geologic character of Arizona includes the following components:

- Bedrock units such as limestone, sandstone, and granite and their weather products (e.g. sand, gravel, clay, etc.)
- Geologic processes or substances that are known or have potential to cause loss of life or injury to people, cause property damage, or impact the location, construction, and maintenance of buildings and infrastructure (earthquakes, flooding, land subsidence, and earth fissures, natural dissolving rocks such as limestone and salt, drying out and cracking of clay-rich soils, arsenic, radon gas, etc.)
- Metallic (copper, molybdenum, gold, silver, iron, manganese) and non-metallic (including sand, gravel, limestone, clay, salt, potash, gypsum, cement, zeolites, rare earth elements) mineral resources
- Energy and associated resources (coal, coal-bed methane, oil, gas, geothermal, carbon dioxide, and helium)

Our constituents and customers who use geologic information cover a broad range of the community, including:

Citizens and citizen groups  
 Land- and resource-management agencies  
 Engineering and applied geology firms  
 Energy- and mineral-exploration companies  
 Attorneys, Insurance companies  
 Trade associations  
 Emergency responders and managers  
 Elected officials and staff

Consultants  
 Hydrologists and hydrogeologists  
 Students and teachers  
 Securities regulators and law enforcement agencies  
 Libraries and book dealers  
 Home buyers, real estate agents  
 Construction and builder

## Strategic Issues

The following strategic issues were identified based upon our core mission, goals, and constituent needs. While AZGS currently employs multiple strategies for handling most of these issues, additional resources and planning is required in order to fully address the issues.

**Issue 1:** Adequate resources to carry out AZGS mission and goals

In the past twenty years, AZGS has merged with two other state agencies: the Oil & Gas Conservation Commission (OGCC, 1991) and the Arizona Department of Mines and Mineral Resources (ADMMR, 2011). In the latter situation AZGS provided the primary financial support from internal funds to maintain staff and services of the agencies. With the loss of ADMMR, this makes AZGS the primary agency dealing with mineral resources in the #1 or #2 mining state (non-fuel minerals) in the U.S. A mandate of the following merger of the agencies was to digitize the vast number of paper records, maps, and reports of the ADMMR files; this is addressed further in **Issue 6**.

**Issue 2:** Mitigation and response to natural hazards

AZGS geologic mapping provides the basis for many natural hazards identification and mitigation strategies including debris flow, landslides, floods, rock falls, subsidence, and natural contamination of ground waters. In addition, AZGS set up and manages the Arizona Broadband Seismic Network (ABSN), which for the first time in history can detect any magnitude 3.0 earthquake or larger anywhere in the state. AZGS has also staffed the Burn Area Emergency Response (BAER) teams for lands emergency response for the 2011 wildfire season. AZGS currently actively participates in the USGS StateMap program, producing geologic maps at the 1:24,000 scale for quadrangles across the state, approximately 4-6 are mapped per year. Arizona has a total of over 1,900 quadrangles. Priority areas and criteria for mapping are determined by an external Geologic Mapping Advisory Committee on an annual basis.

**Issue 3:** Characterization of mineral resources of the state

As stated in **Issue 1**, Arizona is often the #1 or #2 mining state of non-fuel minerals in the nation (Nevada is generally our main competitor). 1:24,000 scale maps help in identifying natural resource plays throughout the state. In 2008 AZGS published "Potash and Related Resources of the Holbrook Basin, Arizona" identifying the largest accessible potash play in the United States. Since 2008 AZGS has permitted private industry exploration drill holes for AZOGCC, preparing the way for a multi-billion dollar potash mine(s) in northeast Arizona. This type of characterization is only possible from well-trained geologic staff and accessible data and mapping.

**Issue 4:** Information resources to adequately inform federal, state, and local agencies, the general public, and industry of mineral and energy resource potential and impacts of the state

As part of the digitization efforts discussed in **Issue 6**, we are scanning and digitizing all of our reports, studies, and maps and making them accessible over the internet. There are currently over 900 of such items available in our searchable online digital document repository. In addition, AZGS consistently publishes reports and studies throughout the year to help inform stakeholders

**Issue 5:** Fraudulent description or misrepresentation of mineral properties, harming residents and commerce in the state

Since taking over ADMMR, AZGS has assisted state and federal authorities continually in cases of fraudulent sales of mineral properties and claims and financial securities. Such acts not only harm our states residents, but may also harm the mineral industry as investors will be wary of fraudulent sales. Unfortunately, this will be an ongoing issue.

**Issue 6:** AZGS policy of "everything digital, online, and interoperable"

AZGS has become global leaders in cyberinfrastructure or digital data integration (often referred to as "Big Data") which is transforming the business world. Grants and contracts in this field have led to a tripling of the agency staff even while state appropriations have decreased by 45% effectively. We are

using these skills to inventory and digitize the ADMMR collections and assist other state agencies in data integration programs (state funding on these efforts is leveraged with grant funding). Also, AZGS took over the design and creation of the virtual *Arizona Experience* website ([www.arizonaexperience.org](http://www.arizonaexperience.org)) as part of the Centennial, creating an award-winning, interactive, multi-media online site that is unique in the nation and is pushing the boundaries of what can be done with today's technology.

## Goals

Our goals, as described in the 2011 Sunset Review report to the Legislature (amended for clarity here), are to:

- **Goal 1:** Maintain our ability to carry out state mandates independent of the state's ability to fund them, including continuity of the former Department of Mines & Mineral Resources services and the Oil & Gas Conservation Commission. (*Issue 1*)
- **Goal 2:** Define and characterize potential geologic hazards and limitations, prepare reports about them, and assist government and the public with emergency response and mitigation efforts. (*Issue 2, 4, & 5*)
- **Goal 3:** Further the agency's emphasis on identifying, characterizing, and assessing mineral resources, covering locatable, leasable, and industrial minerals; expand the ability to accept and preserve unique or irreplaceable rock cores in the AZGS sample repository. (*Issue 3, 4, & 5*)
- **Goal 4:** Provide comprehensive agency services to the Phoenix metropolitan area through a full-service branch office. (*Issue 1-6*)
- **Goal 5:** Continue to implement the policy of everything digital, online, and interoperable for free downloading; complete the digitization of existing major AZGS data and records by FY2016. (*Issue 4 & 6*)
- **Goal 6:** Deploy AZGS national expertise in data integration to other state agencies. (*Issue 4 & 6*)
- **Goal 7:** Take advantage of new technologies for enhanced and cost-effective deployment of services and communication with stakeholders and customers. (*Issue 1-6*)

## Strategies

The strategies undertaken to accomplish our Goals are as follows:

**Goal 1:** Maintain our ability to carry out state mandates independent of state's ability to fund them

- Diversify funding sources among federal agencies
- Seek opportunities with state, local, and tribal agencies
- Pursue Foundation support
- Increase retail revenues

**Goal 2:** Define and characterize potential geologic hazards and limitations

- Create a more coordinated and strategic approach to natural hazards, including:
  - Ensuring continued operation of the state earthquake monitoring network – the Arizona Broadband Seismic Network (ABSN)
  - Pursue a statewide hazards assessment
  - Respond effectively to disasters
- Complete mapping of all known Earth fissures and investigate techniques to predict the locations and growth of fissures, and methods to mitigate them
- Attempt to map each of the geologic hazards statewide at an initial scale of 1:500,000

**Goal 3:** Further the emphasis on mineral resources

- Create a more coordinated and strategic approach to mineral resources, including:
  - Assessing mineral potential on lands subject to withdrawal (publish reports/studies)

- Representing resource potential to agencies and industry (response to inquiries)
- Provide critical information on exploration, land management, environmental impacts, and economic development (mapping, published reports/studies, online digital repository)
- Assist in fraud investigations
- Assist counties in planning for aggregate resource development
- Support industrial minerals assessment for resource assessment and to assist local government planning agencies to meet state requirements
- Expand the AZGS Sample Repository by seeking federal and industry support in order to accept and curate the most critical geological samples
- Assess the potential for undiscovered mineral deposits and identify geologic indicators for the discovery of new mineral resources

**Goal 4:** Deploy a full-service Phoenix Branch Office

- Find appropriate office space to house the former ADMMR (now AZGS) and existing home-based AZGS staff in Phoenix that is publicly accessible and contains retail space
- Promote the Phoenix Valley branch of the *Arizona Experience* store – a one stop shop for government resources, geologic information, and uniquely Arizonan items
- Add position of industrial minerals geologist in Phoenix

**Goal 5:** Everything Digital, Online, and Interoperable

- Complete digitization of AZGS data and integrate them using the U.S. Geoscience Information Network (USGIN) – a collaboration between the AZGS, Association of American State Geologists, and the U.S. Geological Survey) – standards and protocols
- Develop USGIN and the National Geothermal Data System as a sustainable stand-alone entity(ies), or a combined system.

**Goal 6:** Deploy AZGS national expertise in data integration to other state agencies

- Seek opportunities where AZGS data integration capabilities can be utilized by other state agencies

**Goal 7:** Take advantage of new technologies for enhanced cost-effective deployment of communication with stakeholders

- Continue digitization efforts for all major AZGS and ADMMR records and files with the expected completion date of FY2016, general maintenance of the records and adding new information will continue through general maintenance
  - Submit to the State Archives paper records that will be digitized, for preservation and curation
- Establish the *Arizona Experience* store as a high visibility one-stop shop for government resources and Arizona products and make it a profit center; open a second operation in the Phoenix Valley (**Goal 4**)

In addition to the goal specific strategies, AZGS will leverage our growing national stature and capabilities to influence national agendas and priorities for federal-state partnerships that would support AZGS goals.

## Performance Measures

To measure the AZGS's progress in achieving our goals as stated above, we propose the following estimated performance metrics.

**Goal 1:** Maintain our ability to carry out state mandates independent of state's ability to fund them

- At a minimum, maintain the existing level of external funding
- Increase funding by at least 15% over the next five years

**Goal 2:** Define and characterize potential geologic hazards and limitations

- The number of significant natural hazards identified, responded to, and/or mitigated
- Maintain the Arizona Broadband Seismic Network and determine whether additional stations are required

**Goal 3:** Further the emphasis on mineral resources

- Number of reports, presentations, exhibits, demonstrations of mineral resources potential in the state
- Number of assistance requests answered from county planning officials for aggregate planning
- Number of quadrangles or square miles mapped at the scale of 1:24,000 or better (or compiled at 1:100,000 or better) to support hazards and mineral assessments, at least 3 to 4 quadrangles per year
- Number of fraud investigations handled

**Goal 4:** Deploy a full-service Phoenix Branch Office

- Full integration of Phoenix staff and retail space in an accessible location within 18 months
- Launch the *Arizona Experience* retail branch within 2 years

**Goal 5:** Everything Digital, Online, and Interoperable

- Amount or percentage of data digitized and posted online
  - Complete the digitization of the former ADMMR files within 3 years
  - Integrate AZGS Document Repository, Core and Cuttings Sample Catalog, and Oil & Gas Conservation Commission data within 2 years
  - Integrate all other major datasets within five years
- Submit at least 50% of the paper records housed at AZGS to the State Archives for preservation and curation

**Goal 6:** Deploy AZGS national expertise in data integration to other state agencies

- Partner with at least two agencies on projects over the next three years, maintain current relationships

**Goal 7:** Take advantage of new technologies for enhanced cost-effective deployment of communication with stakeholders

- Analytics of web sites and social media outlets
- Increase *Arizona Experience* store sales to a total of by 25% per year over five years

## Resource Assumptions

Every state in the U.S. as well as Puerto Rico has a State Geological Survey, although in a couple, they are limited to the office of State Geologist or are on temporary hiatus (i.e. Hawaii). State Geological Surveys range in size from one person to 260 people; AZGS finished FY11 with 35 staff (overwhelmingly funded by external grants and contracts). About two-thirds of State Geological Surveys are state agencies, one-third are administratively housed in universities.

Over the last 50 years funding for State Geological Surveys from state appropriations has dropped from an average of about 95% to about 40% currently. Surveys have increasingly funded themselves from

other revenue streams, contracts and grants, and sales of publications. AZGS is no exception to this national trend.

AZGS received a significant base budget increase in FY07 for establishment of the Earth Fissure Mapping Program. Subsequently, state budget cuts effectively reduced the AZGS state appropriations by about 45%.

In an annual survey conducted by the Association of American State Geologists, AZGS ranked 27th out of 43 Surveys nationwide that reported their revenues for FY11. However, **AZGS ranked 35th out of the 43 states reporting in amount of state appropriation.** AZGS is doing better than average in bringing in external funds to maintain operations. In FY11 **AZGS was 3rd in the nation in federal funds**, after the Texas and Illinois geological surveys. However, over 80% of the awards to AZGS went out to subcontractors, still leaving AZGS in 8th place nationally in net federal funds.

Comparing state funding on a per capita basis, Arizona is 7<sup>th</sup> from the bottom at \$0.12. The range nationally is \$0.06 (New York) to \$6.14 (Alaska), with a nationwide average of \$0.29. In the 12 Western U.S. states, Arizona is second from the bottom in state appropriations and bottom of the list in per capita expenditure. The next lowest states (CA, OR, WA, CO) provide their State Geological Surveys 2.5 to nearly 4 times the funding level as Arizona. At the upper end, Montana funds their Survey more than 40 times per capita than what Arizona spends.

On a per square mile basis, Arizona received \$6.97 versus a national average of \$23.86. The range is \$5.98 (Texas) to \$674 (Delaware). In the Western U.S., Arizona and Alaska are roughly tied near the bottom of funding per square mile. Texas is the only state lower.

Another metric is to compare the value of annual mineral production (non-fuel) in each state to the state appropriation to their State Geological Surveys. This is not to argue that there is a direct correlation but it does demonstrate states investments in agencies that play significant roles in identifying and characterizing mineral resources. On average, there is \$706 worth of mineral production for each dollar spent by states on Geological Surveys. The low is Delaware at \$7.57 and the high is Arizona at \$8,437. The second highest return is Nevada with \$3,703 in mineral production for each dollar to its Survey.

In summary, **Arizona spends well below the national average on its State Geological Survey**, in absolute dollars. When compared to state expenditures per capita and per square miles, Arizona's state appropriation is near the bottom. When compared to other Western, public lands states, Arizona invests only 2% to 40% of what the other 11 spend on their State Geological Surveys.

Our assumptions on resources for the next 5 years are:

- We assume that state appropriations will be effectively flat during the next few years at least. Any increases are likely to be only for mandated cost increases.
- We assume that fiscal austerity at the state and national levels will make it increasingly competitive to win contracts and grants. However, the AZGS budget is still small in comparison with many comparable organizations while we compete successfully at the national level.
- We assume that we will be able to raise corporate and local government contributions to the operation and maintenance of the Arizona Broadband Seismic Network (earthquake monitoring). We do not assume there will be adequate funding to analyze the data to identify and characterize those earthquakes.

- We presume that the Survey will be able to retain and attract highly-technically qualified staff members because of our agency culture and reputation in the professional world, as an innovative and nimble center of excellence.

	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
<b>Full Time Equivalent Positions</b>	37.4	36.4	36.4	36.4	36.4	36.4
<b>General Fund</b>	\$853,600	\$853,600	\$853,600	\$853,600	\$853,600	\$853,600
<b>Other Appropriated Funds</b>						
<b>Non-Appropriated Funds</b>	\$1,041,900	\$1,041,900	\$1,041,900	\$1,041,900	\$1,041,900	\$1,041,900
<b>Federal Funds</b>	\$7,776,100	\$7,776,100	\$1,160,900	\$1,160,900	\$1,160,900	\$1,160,900
<b>Total Agency Funds</b>	\$9,671,600	\$9,671,600	\$3,056,400	\$3,056,400	\$3,056,400	\$3,056,400

Notes:

- 1) At the end of FY2014, approximately \$6,615,200 of federal funding from the federal Department of Energy will come to a close; the grant is primarily pass-thru funding for other states.
- 2) For planning purposes, the expenditures in FY2013 are used as projections for the ensuing years; the agency has many grants, but most of the grants terminate at the close of FY2013 or FY2014. There is no way to anticipate what grants will be available to the agency during FY2105 thru FY2018. Since the agency primarily thrives on grant funding, many variables will go into managing the agency's budget and may or may not resemble the budgets noted above for FY2015 thru FY2018 in the resource assumptions.
- 3) The above figures assume that no decision packages will be approved.

**Agency Summary**

GEOLOGICAL SURVEY

M. Lee Allison, Ph.D., Director and State Geologist  
 Phone: (520) 770-3500  
 A.R.S. § 27-103

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	876.2	853.6	1,829.9	1,763.9
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	7,849.0	8,818.0	8,818.0	8,818.0
<b>Total Funding</b>	<b>8,725.2</b>	<b>9,671.6</b>	<b>10,647.9</b>	<b>10,581.9</b>
<b>FTE Positions</b>	<b>37.4</b>	<b>36.4</b>	<b>46.6</b>	<b>46.6</b>

◆ **Goal 1** To serve as the primary source of information about Arizona geology.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
New maps/reports released by AZGS staff	23	18	36	18	18	18
Number of geologic and related maps of Arizona	20	15	13	15	15	15
Number of reports that describe geologic hazards and resources in Arizona	5	6	16	6	6	6
Number of reports released to inform citizens not trained in geology (Down-to-Earth Series)	1	2	4	2	2	2
Number of reports published by other groups	4	10	18	8	8	8
Number of talks given or fieldtrips led	53	45	111	50	50	50
Number of state agencies and bodies for whom AZGS serves as a science support provider	15	15	20	15	15	15

◆ **Goal 2** To inform the public about geologic processes, natural hazards, and natural resources in Arizona.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of reports released to inform citizens not trained in geology (Down-to-Earth Series)	1	2	4	2	2	2
Number of seminars and workshops presented to non-technical audiences	5	5	42	5	5	5
Number of interviews and presentations through the news media	44	60	60	60	60	60

◆ **Goal 3** To distribute geologic maps, reports, and data efficiently with high customer satisfaction.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent increase (decrease) in number of publications sold	13	10	16	10	10	10

**Explanation:** More info is available via the internet and, less of the technical and topographic maps are needed in hard copy. We will adjust to this change in the market.

Total number of geologic maps and reports and topographic maps sold	4048	4,000	2,909	4,000	4,000	4,000
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**Explanation:** Hard copy maps are less popular because people use internet downloads.



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Technical maps and reports sold	1068	2,300	1,994	2,300	2,300	2,300
<b>Explanation:</b> More information is available online now.						
Percent increase (decrease) in sales of technical maps and reports	-64	10	(4.16)	10	5	5
<b>Explanation:</b> The market is changing as more things are available to be downloaded.						
Number of non-technical reports sold	3005	3,000	4,561	3,000	3,000	3,000
<b>Explanation:</b> We carry more general interests books on Arizona now.						
Percent increase (decrease) in sales of non-technical reports	15	8	51.8	8	8	8
<b>Explanation:</b> Less technical things are selling, more interest in general use/recreation.						
Quality of products sold, 1-5 (highest) scale	4.8	4.8	4.8	4.8	4.8	4.8
Numbers of products released or Number of digital maps/reports downloaded	110,000	125,000	126,500	125,000	125,000	125,000
<b>Explanation:</b> 4mb = 400 updates to databases. 5000 = # of files downloaded						
Percent of orders filled the same day received	95	0	97	95	95	95
Satisfaction with mail order service provided, 1-5 (highest) scale	4.9	0	4.95	4.9	4.9	4.9

◆ **Goal 4** To effectively assist the Arizona Oil and Gas Conservation Commission.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average days to issue a permit	4	5	4	5	5	5
Number of Permits issued to drill a well	77	26	53	26	25	25
Compliance and safety inspections made	31	28	30	28	28	28
Number of gas-storage wells	14	14	14	14	14	14
Number of deficiencies found during inspections	0	2	0	2	2	2

# Department of Health Services

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**ARIZONA DEPARTMENT OF HEALTH SERVICES  
STRATEGIC PLAN  
FY 2014-2018**



**OUR VISION**  
*Health and Wellness for all Arizonans*

**OUR MISSION**  
*To promote, protect, and improve the health and wellness of individuals and communities in Arizona*

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JANICE K. BREWER, GOVERNOR  
WILL HUMBLE, DIRECTOR

September 13, 2012

Dear Arizonans,

The goals of state government are many; most notably to do the work that is tasked to us by laws and mandates passed by the people and legislature. As we strive to achieve targeted public health outcomes with fewer resources and more public need, we are moving towards an era where ADHS is committed to working smarter, without compromising the high quality of work we do.

On a daily basis, the Department provides a wide array of public health prevention and preparedness related services including medical and childcare licensing, the State Public Health Laboratory, the State Hospital for psychiatric care, and a system around administering behavioral health services for the Medicaid population. All ADHS programs focus on incorporating evidence-based practices, building in more e-business solutions, and continuous quality improvement. The business and operations sector of our agency aligns our resources with key priorities to improve our efficiency as well as our customer service.

This year, we are paving the way on some new initiatives that will have a big impact on the health of Arizonans. A new era in behavioral health services has begun as we begin integrating physical and behavioral health services in a way that has never been done in Arizona. As a result, seriously mentally ill patients who typically die thirty years earlier than the average citizen, will have a better quality of life and lower health care costs.

Another large effort is focused on voluntary public health accreditation. We have aligned our strategic priorities with our mission, focusing efforts on winnable battles where we can move the needle on a few of our biggest public health issues over the next five years. The process will help us evaluate the quality of the ten essential public health services that we provide, and opportunities to better fortify our partnerships around the state will emerge. We are also developing ADHS into an academic health department, strengthening workforce development, and establishing more innovative and cross-jurisdictional partnerships to broaden our reach.

As always, we wish you health and wellness!

A handwritten signature in black ink, appearing to read "W. Humble". The signature is fluid and cursive, with a long horizontal stroke at the end.

Will Humble, MPH  
Director

*Health and Wellness for all Arizonans*

## Executive Summary

The Arizona Department of Health Services (ADHS) is among the largest and most complex of state agencies. With over 1,600 employees and an annual budget in excess of \$1.8 billion, ADHS provides a wide variety of services and a diversity of programs housed within its five divisions: behavioral health; licensing; planning and operations; public health prevention; and public health preparedness. The two-fold mission of public health services includes prevention and preparedness for the state. The public behavioral health system oversees services for 150,000 enrolled clients and the state's only public psychiatric hospital, the Arizona State Hospital. The division for licensing is charged with certification of nursing homes, assisted living and child care centers, hospitals and other health care facilities. The division of planning and operations oversees the budget, procurement, audit and special investigations, information technology, workforce development, rule making, human resources, policy, continuous quality improvement, and accreditation.

*ADHS plans to bring quality improvement, lean methodologies, best practices, and strategic alignment to all we do.*

Changes in state funding have dramatically impacted ADHS and the way we have traditionally provided public health services. Adapting to the new mandates, ADHS saw an opportunity to reprioritize our programs and center attention on what is most important. The Department is working to be more efficient at delivering services to those populations most in need to keep our Arizona communities healthy and safe. ADHS believes every change is an opportunity to align and leverage our resources to achieve our mission.

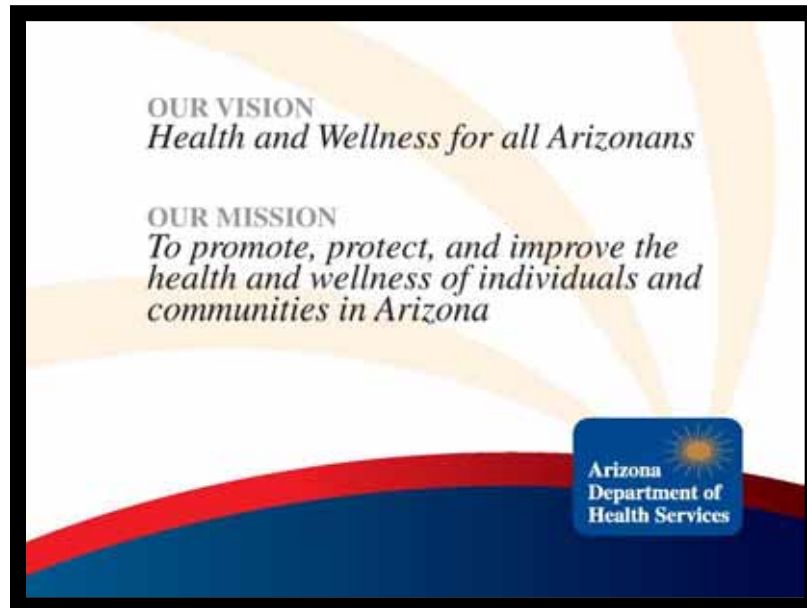
ADHS's Strategic Priorities for the next three to five years are:

- Impact Arizona's Winnable Battles
- Integrate Physical and Behavioral Health Services
- Promote and Protect Public Health and Safety
- Strengthen Statewide Public Health System
- Maximize ADHS Effectiveness

The strategic priorities are the pathways by which we plan to achieve targeted improvements in public health outcomes. ADHS is committed to moving along with our partners in local health departments toward voluntary public health accreditation. The work towards accreditation will require the agency to look at the statewide public health system as a whole, collaborate with stakeholders, and provide evidence that our work meets the ten essential public health services. The ten essential services were set as a national standard in 1994 by a steering committee consisting of all US Public Health Service agencies and representatives from other major public health organizations. Accreditation focuses on quality, transparency, and partnerships. Through the accreditation process, our leadership will identify strengths, weaknesses, and opportunities for continuing to build public health infrastructure in a way that will best align our resources with key priorities. ADHS plans to bring quality improvement, lean methodologies, best practices, and strategic alignment to all we do.

## Mission and Vision Statement

The vision of the Department is to ideally achieve a state of Health and Wellness for all Arizonans, while the mission is to promote, protect, and improve the health and wellness of individuals and communities in Arizona. The updated mission and vision statements are helping us build public health value in-house as well as in the community. In an effort to improve the visibility of these critical documents, the format was modernized and ADHS is making an effort to educate our partners and reinvigorate staff on our goals.

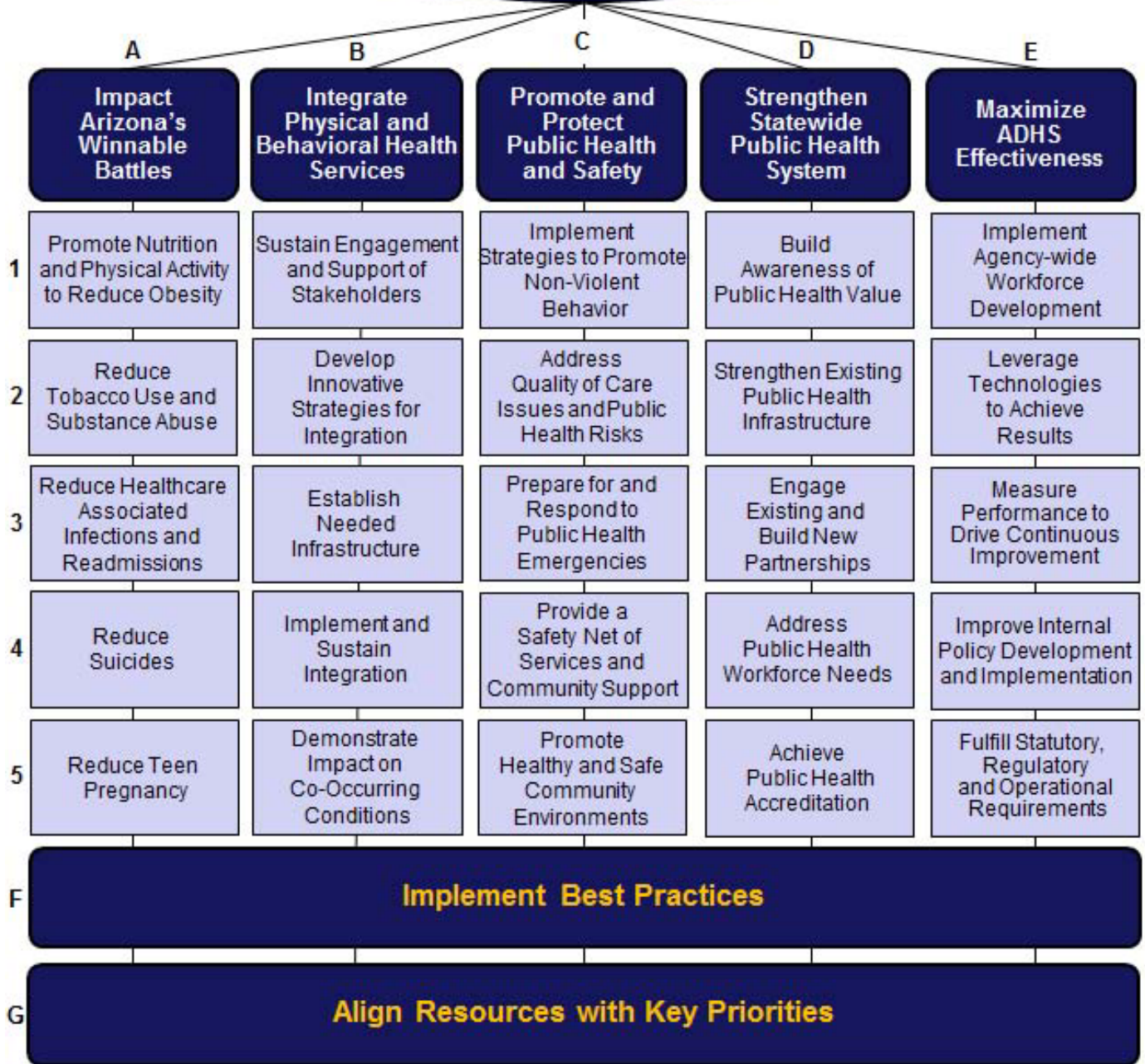


To provide a framework for our mission, ADHS is utilizing a Strategic Map. The Strategic Map provides ADHS with a clear direction, a path for implementing each strategy, and an effective approach for engaging community involvement. The Strategic Map allows the entire agency to come together under a single public health umbrella concentrating on activities and resources that will achieve better public health outcomes. ADHS meeting spaces and buildings have updated versions of these documents to create an opportunity to share our map and vision with colleagues visiting our agency. Incorporating the strategic plan into all we do, will enable us to align the agency's resources and programs as we pave the way toward a new era in public health where improving quality and efficiency, while improving public health outcomes is the way we do business.



## Arizona Department of Health Services Strategic Map: 2012-2015

**Achieve  
Targeted Improvements in  
Public Health Outcomes**





## Strategic Map Key

### Central Challenge

The oval at the top of the Strategic Map represents the central challenge that ADHS faces over the next three to five years. The focus of our strategic plan is to achieve targeted improvements in public health outcomes.

### Strategic Priorities

The central challenge is supported by five strategic priorities. The strategic priorities define the major efforts requiring attention and resources to meet our central challenge. The priorities are listed on the Strategic Map as the column headings: column A (Impact Arizona's Winnable Battles), column B (Integrate Physical and Behavioral Health Services), column C (Promote and Protect Public Health and Safety), column D (Strengthen Statewide Public Health System) and column E (Maximize ADHS Effectiveness).

*Implementing best practices and aligning resources with key priorities are woven across all divisions and go deep into each program area.*

### Strategic Objectives

Each strategic priority is supported by five underlying strategic objectives. The objectives outline key elements of each priority and most are broad in nature so as to capture the commonality that exists across many of our program areas. Each of the objectives have performance measures in order to track annual progress.

### Cross-Cutting Strategic Priorities

The wide rectangles across the bottom of the map are cross-cutting strategic priorities. Cross-cutting strategic priorities are by definition:

- foundational to the strategy
- embedded in all other strategic priorities

For ADHS, the two foundational pieces do not require concerted resources, but are incorporated into all that we do. Implementing best practices and aligning resources with key priorities are woven across all divisions and go deep into each program area.

## Strategic Priorities and Objectives

For each of the five strategic priorities that ADHS has outlined, there are correlating objectives delineated, each with dedicated performance measures that will enable us to capture our annual progress. Performance measures will allow the agency to gather data to objectively track progress on our strategic goals to proactively make adjustments as necessary to improve health outcomes. Implementation of the performance management system will include a yearly reporting on each measure in order to capture improvements, and to establish baseline measures. Measures are intended to capture the quality of work completed by ADHS and to assess the impact programs have made in a few key areas.

### Strategic Priority #1: Impact Arizona's Winnable Battles

There are many funded efforts at a national level around Winnable Battles, where it is possible to show the impact of targeted efforts within a four year period. The following five winnable battles are objectives specific to the priority public health issues facing Arizonans that ADHS could positively impact in the next strategic period:

#### **Objective 1: Promote Nutrition and Physical Activity to Reduce Obesity**

The Agency, working with the community has the greatest opportunity to impact many public health outcomes to achieve this objective. An agency-wide workgroup will use evidenced based strategies to develop messaging, programming and outreach techniques to increase community awareness of obesity reduction strategies.

##### **Performance Measures:**

- Increase in the percent of adults who get the recommended amount of physical activity
- Increase in the percent of Arizonans who report eating the recommended amounts of fruits and veggies

#### **Objective 2: Reduce Tobacco Use and Substance Abuse**

Connecting all areas of the agency around this objective places resources into the hands of the citizens and providers to help Arizonan's either quit smoking via the ASHLine, or seek help for substance abuse through prevention programs and policy changes.

##### **Performance Measures:**

- Decrease the percent of high school youth who smoked in the last month
- Decrease the smoking prevalence among adults, 18 years and older, who are current cigarette smokers
- Increase the percent of behavioral health clients with reduced use of alcohol and drugs

- Increase the percent of behavioral health clients employed or involved in work-related activities after completion of substance abuse treatment

**Objective 3: Reduce Healthcare Associated Infections (HAI) and Readmissions**

The HAI Advisory Committee will prioritize efforts and leverage resources across ADHS to work with partners to reduce infections acquired in health care settings and improve health outcomes.

**Performance Measures:**

- Decrease the rate of Central Line-Associated Bloodstream Infections (CLABSI)
- Increase the percent of technical assistance provided to facility or local health department conducting investigations of reported HAI outbreaks

**Objective 4: Reduce Suicides**

Successful evidence based prevention strategies will be employed to reduce the suicide rates among adults and teenagers. Collaboration across the agency will chart a path for additional work in this area.

**Performance Measures:**

- Decrease the rate of suicide deaths among Arizonans
- Decrease the rate of suicide deaths among teens aged 15-19 years

**Objective 5: Reduce Teen Pregnancy**

Recent declines in Arizona's teen pregnancy rate are dramatic. ADHS is committed to continuing to focus on this important objective through the work currently provided as well as on-going collaboration with stakeholders.

**Performance Measures:**

- Decrease the birth rate for teenagers aged 15-17

## **Strategic Priority #2: Integrate Physical and Behavioral Health**

ADHS recognizes that integrated care between physical and behavioral health services will greatly impact public health outcomes for the behavioral health population. Our goal is to promote recovery, resiliency, psychosocial rehabilitation, safety and hope for persons with serious mental illness enrolled in the community-based behavioral health system. This effort will involve collaboration with community partners, public health, and other stakeholders in the design and delivery of integrated behavioral health services. Ultimately, the goal to increase the availability and utilization of peer support and family support services, decrease readmission rates to Level I facilities, and increase/maintain timely access to services. The second Strategic Priority for the agency is to develop a model for integrated care by working through the following Strategic Objectives:

### **Objective 1: Sustain Engagement and Support of Stakeholders**

ADHS is collaborating with stakeholders to expand integration efforts to provide whole health care for SMI patients in Maricopa County starting next year, with a long-term plan to roll out these same services statewide to all behavioral health populations in the following 3-5 years.

#### **Performance Measures:**

- Increase the number of on-site technical assistance visits by the division of licensing to promote the licensing of integrated health care facilities
- Increase the stakeholder input for proposed RBHA with SMI health homes
- Increase the number of hits to the Behavioral Health integration website

### **Objective 2: Develop Innovative Strategies for Integration**

One of the foundational concepts of all integrated care models is the “health home”. This concept originated in the primary care setting and is also referred to as a patient-centered medical home, a place where a person may receive treatment to address both physical and behavioral health care needs. ADHS along with key stakeholders is working on developing such a model.

#### **Performance Measure:**

- Design integrated healthcare license with input from stakeholders and draft rules for necessary policy changes
- Increase the number of completed cross-agency activities and collaborations that promote behavioral health and physical health integration
- Increase cross collaborative activities within ADHS on grant opportunities and outreach

### **Objective 3: Establish Needed Infrastructure**

As models and strategies are defined, ADHS will develop the necessary training, information technology and business infrastructure to support this effort.

#### **Performance Measures:**

- Complete the procurement process for integrated care services in Maricopa County
- Increase the percent of patients being discharged from ASH who have a medical and psychiatric follow-up appointment scheduled within 30 days

### **Objective 4: Implement and Sustain Integration**

ADHS is committed to full implementation and sustainability of integrated behavioral health models. A pilot effort is ongoing around integrating the behavioral and physical health services of the seriously mentally ill population in Maricopa County, with long term plans to integrate the entirety of public behavioral health services.

#### **Performance Measures:**

- Fully implement a Managed Care Organization (MCO) to serve as the regional Behavioral Health Authorities (RBHAs) that offer integrated care to Title XIX eligible individuals determined to have a serious mental illness
- Increase the percent of eligible Title XIX population enrolled in behavioral health treatment programs

### **Objective 5: Demonstrate Impact on Co-Occurring Conditions**

As systems of integration of behavioral health systems are implemented, performance measures will be built into an evaluation plan to measure the impact on patients with three or more co-occurring conditions.

#### **Performance Measures:**

- Increase the percent of Title XIX SMI with three or more co-morbid conditions enrolled in the Managed Care Program through the RBHA offering integrated care services

### **Strategic Priority #3: Promote and Protect Public Health and Safety**

The public looks to ADHS as the public health authority for information on a variety of issues including licensing, handling emergencies, preventing communicable disease outbreaks, identifying food borne illness, and improving safety and well being. The third strategic priority requires our programs to think creatively how they may impact the following Strategic Objectives:

#### **Objective 1: Implement Strategies to Promote Non-Violent Behavior**

Identifying and collaborating on efforts to reduce violence is an issue of great importance in Public Health. Encouraging all programs to think about the trauma caused by violence and the long-term effects on individuals and society will foster a culture of creative, successful interventions.

##### **Performance Measures:**

- Decrease the percent of high school students who report having experienced physical violence by a dating partner
- Increase the percent of ASH direct care staff trained in non-violent crisis intervention through the Crisis Prevention Institute

#### **Objective 2: Address Quality of Care Issues and Public Health Risks**

Childcare and health care licensing programs, as well as environmental laboratory licensing allows ADHS to ensure a minimum standard of services and is an important factor in protecting the safety of the citizens of Arizona.

##### **Performance Measures:**

- Increase the percent of child care complaint investigations initiated within investigative guidelines
- Increase the percent of child care license renewals granted within licensing timeframes
- Increase the percent of health care complaint investigations initiated within investigative guidelines

#### **Objective 3: Prepare for and Respond to Public Health Emergencies**

Wildfires, food borne illness, and the H1N1 pandemic are all the types of public health crisis to which ADHS must be prepared to respond. The agency takes great pride in the work accomplished in this area. This objective supports all programs that focus on preparedness and continuity planning.

**Performance Measures:**

- Increase the number of public health and emergency response professionals on the volunteer Health Alert Network
- Increase the number of key Tribal public health organizations contracted and engaged in a significant public health emergency preparedness activity
- Increase the percent of communicable disease outbreak investigations initiated within 48 hours of reporting to ADHS
- Increase the percent of reportable disease results submitted to ADHS by providers within State required time frames

**Objective 4: Provide a Safety Net of Services and Community Support**

ADHS is for many, a source of support and/or services. This objective highlights the work already in place to provide public health services, community support and encourages connections with the numerous community stakeholders to leverage resources in new and creative ways.

**Performance Measures:**

- Increase the percent of health care licensure renewals granted within licensing timeframes
- Increase the percent of breast, cervical and colorectal cancer recommended screenings

**Objective 5: Promote Healthy and Safe Community Environments**

This objective is modeled after the US Department of Health and Human Services National Prevention Strategy's focus on safe environments to provide drug free, gang free, non-violent safe communities for residents to thrive and live more healthily. Also, this effort emphasizes the ability to create sustainable, green spaces minimizing environmental hazards and threats of food borne illness, toxic exposures, and pandemics.

**Performance Measures:**

- Increase the immunization rate among 2-year old children
- Increase the percent of communicable disease outbreak investigations initiated within 48 hours of reporting to ADHS
- Increase the percent of monthly infectious disease trainings to county health departments conducted on schedule

## **Strategic Priority #4: Strengthen Statewide Public Health Infrastructure**

Focusing on external stakeholders, the fourth strategic priority is to strengthen the statewide public health infrastructure, which is critical to the success of ADHS programs. Without community support, ADHS could not function effectively. We work with all our partners including county health departments on communication, planning, resource allocation, and program development efforts. ADHS provides support to the Indian Tribes of Arizona, the urban Indian health programs, the Inter Tribal Council of Arizona, and the Indian Health Service in accomplishing their public health goals and objectives. Additionally, we coordinate and integrate cross-border public health program efforts. The following Strategic Objectives focus on the importance of the agency's relationships and collaborations:

### **Objective 1: Build Awareness of Public Health Value**

Key stakeholders, policy makers, and the community at large understand the role that we all play in public health. This effort requires coordination, outreach, and communication internally as well as externally.

#### **Performance Measure:**

- Increase the percent of new staff completing ADHS scope of public health services and responsibilities coursework
- Increase staff's understanding of the scope of ADHS public health services and responsibilities by twenty percent
- Increase the number of EMS agencies that contribute data to AZ-PIERS

### **Objective 2: Strengthen Existing Public Health Infrastructure**

Implementing our public health plans and strategies rely heavily on the buy in of our local, tribal and border health partners as well as the many private and community partners we work with on a daily basis.

#### **Performance Measures:**

- Increase the percent of monthly ALHOA meetings conducted on schedule to engage county partners
- Increase the percent of border health meeting attendees expressing satisfaction with the Border Health Program

### **Objective 3: Engage Existing and Build New Partnerships**

Identifying new cross-jurisdictional partners and innovative new business enterprise solutions will enhance the connection to the community and increase the agency's ability to find solutions to emerging public health issues.



**Performance Measure:**

- Increase the percent of technical assistance requests from Native Health partners that are completed
- Increase the number of new activities or partnerships developed to establish ADHS as an Academic Health Department

**Objective 4: Address Public Health Workforce Needs**

ADHS is seeking to increase the talent pool attracted to careers in public health. By creating new cross jurisdictional partnerships and partnering with Universities and other professional development organizations, ADHS will encourage potential talent that the work of ADHS is exciting and meaningful to the public.

**Performance Measures:**

- Increase the number of new AZ Public Health Training Center (AZPHTC) classes and trainings offered
- Increase the number of ADHS interns

**Objective 5: Achieve Public Health Accreditation**

ADHS is in the process of completing the prerequisites and requirements needed for the state to achieve accreditation, analyzing our collaborations with stakeholders as well as our ability to perform effectively on the ten essential public health services. These ten essential services were established in 1994 by a Core Public Health Functions Steering Committee that included representatives from US Public Health Service agencies and other major public health organizations who were tasked with developing a national framework. The ten essential services include: Monitor health status, Diagnose and Investigate health problems and hazards, Inform and Educate to empower people about health issues, Mobilize community partnerships, Develop policies and plans, Enforce laws and regulations, Link people to health services, Assure competent health workforce, Evaluate effectiveness and quality, and Research to find innovative solutions to health problems. Ultimately, the accreditation effort will improve the quality of public services in Arizona, as well as impact public health outcomes for our citizens.

**Performance Measures:**

- Increase the percent completion of prerequisites for accreditation
- Increase the percent completion of required Domain Documentation
- Increase the percent of PHAB requirements completed according to ADHS timeline

## **Strategic Priority #5: Maximize ADHS Effectiveness**

The fifth and final Strategic Priority promotes a business model that strives to improve internal processes by improving efficiency. The consolidation of programs and staff over the past several years yielded an opportunity to partner internally in new and exciting ways. These efforts have led to development of user-friendly policies and procedures that contribute to increased operational efficiencies, and refinement of information technology policies and procedures to address new security concerns, emerging technology, and business needs. ADHS provides a highly available and flexible information technology environment that supports the implementation and maintenance of enterprise applications, business communications, and internet-based public services. The following Strategic Objectives focus on innovative methods of providing the services by integrating our lines of business to increase efficiency and effectiveness.

### **Objective 1: Implement Agency-wide Workforce Development**

In order to retain, promote and recruit talent, ADHS must focus on investing in workforce development. This effort will look at integrating training, retention, and succession planning across the agency.

#### **Performance Measures:**

- Decrease the percent of agency staff turnover
- Decrease the percent of ASH staff turnover during the first 12 months of employment
- Increase the percent completion of ADOA online Supervisory Academy courses within 6 months of hire/promotion
- Increase the percent of new ASH staff participating in workforce development training within 90 days of New Employee Orientation

### **Objective 2: Leverage Technologies to Achieve Results**

ADHS is committed to looking for new and existing technology to increase efficiency. Creating more e-government solutions, using state of the art technology in our State Lab and ASH help ensure higher quality results.

#### **Performance Measures:**

- Increase the percent of new e-government applications implemented on schedule
- Increase the number of electronic data exchanges with Shareholders/ partners
- Increase the percent of communicable disease lab reports received electronically

### **Objective 3: Measure Performance to Drive Continuous Improvement**

Continuous Quality Improvement is the foundation of an effective public health system. ADHS is implementing a performance management system throughout the agency.

#### **Performance Measures:**

- Increase the percent of CQI projects completed on schedule
- Increase the percent of audit investigations with results triggering action that are completed
- Increase the percent of microbiological and chemical proficiency test samples meeting national standards

### **Objective 4: Improve Internal Policy Development and Implementation**

ADHS is continuously working to address policy making procedures and guidelines. This effort will streamline the process to provide coordination in an effort to produce timely, effective and user-friendly policies, procedures and guidelines.

#### **Performance Measures:**

- Percent of existing policies that are reviewed according to agency schedule
- Percent of procurement staff's knowledge of procurement policies and process

### **Objective 5: Fulfill Statutory Regulatory and Operational Requirements**

An extensive responsibility for ADHS is fulfilling legal mandates, and enforcing the rules and regulations around many public health programs. Additionally, we have various operational requirements that we maintain to meet either state or federal guidelines.

#### **Performance Measures:**

- Percent of Director's Decisions each calendar year issued by the Department within 30 days after receipt of the corresponding administrative law judge (ALJ) recommendation
- Percent of rules approved on the first hearing by GRRC
- Percent of inspection letters or status reports sent out to the licensed clinical and environmental laboratories within 45 days of the onsite inspection
- Percent of Arizona Biomedical Research Commission research contracts that are in compliance

## Cross Cutting Strategies

- *Implement Best Practices*
- *Align Resources with Key Priorities*

The last two boxes across the bottom are the Cross-Cutting Strategic Priorities; they span all areas of work and are the foundation for the Strategic Map. All programs and divisions implement best practices as a proven method for achieving results, and throughout the agency we are aligning resources with our key priorities. These two cross cutting measures are entrenched into the way we operate and function as an agency.

**Department of Health Services**

**Resource Assumptions (agency level)**

*Five-Year Strategic Plan*

Current Year (FY 2013) and Future Years FY 2014 - FY 2018

	<u>FY 2013 Appropriation</u>	<u>FY 2014 Budget Request</u>	<u>FY 2015 Budget Estimate</u>	<u>FY 2016 Budget Estimate</u>	<u>FY 2017 Budget Estimate</u>	<u>FY 2018 Budget Estimate</u>
<b>Full-time equivalent (FTE) Positions</b>	1,782.0	1,782.0	1,782.0	1,782.0	1,782.0	1,782.0
General Fund	587,120,701	609,932,881	644,540,361	681,145,474	719,864,262	762,259,251
Other Appropriated Funds	88,817,300	89,219,900	91,093,518	93,006,482	94,959,618	97,143,689
Non-Appropriated Funds	1,392,046,006	1,497,289,667	1,582,539,132	1,672,715,748	1,768,105,866	1,872,548,727
Federal Funds	314,980,400	314,980,400	321,594,988	328,348,483	335,243,801	342,954,409
<b>Total Agency Funds</b>	<b><u>2,382,964,407</u></b>	<b><u>2,511,422,848</u></b>	<b><u>2,639,768,000</u></b>	<b><u>2,775,216,187</u></b>	<b><u>2,918,173,547</u></b>	<b><u>3,074,906,076</u></b>

**Assumptions:**

1. The Resource Assumption estimate assumes full funding for the Department's Decision Packages in the FY 2014 budget.
2. The FY 2014 Budget was used as the base to project estimates for FY 2015 through FY 2018. An annual inflation factor (CPI) of 2.1% for FY 2015 - FY 2017 and 2.3% for FY 2018\* were added.
3. 3.73%\*\* increase for medical inflation was estimated for Behavioral Health programs, General Fund area and non-appropriated fund area from FY 2015 - FY 2018.
4. Possible changes in FTE Positions are not projected in this Resource Assumption.

\* Source: An Update to the Budget and Economic Outlook: Fiscal Years 2012 to 2022 produced by Congressional Budget Office as of August 22,2012.  
[http://www.cbo.gov/sites/default/files/cbofiles/attachments/08-22-2012-Update\\_to\\_Outlook.pdf](http://www.cbo.gov/sites/default/files/cbofiles/attachments/08-22-2012-Update_to_Outlook.pdf) on page 7 of the pdf document.

\*\* Source: FY 2011 HHS Agency Financial Report produced by Department of Health and Human Services (HHS) as of November 15,2011.  
<http://www.hhs.gov/afr/2011afr.pdf> on page 118 of the pdf document.

**Department of Health Services**  
**Division of Planning and Operations**  
**Resource Assumptions**  
*Five-Year Strategic Plan*

	<u>FY 2013</u> <u>Appropriation</u>	<u>FY 2014 Budget</u> <u>Request</u>	<u>FY 2015 Budget</u> <u>Estimate</u>	<u>FY 2016 Budget</u> <u>Estimate</u>	<u>FY 2017 Budget</u> <u>Estimate</u>	<u>FY 2018 Budget</u> <u>Estimate</u>
<b>Full-time equivalent (FTE) Positions</b>	187.7	187.7	187.7	187.7	187.7	187.7
General Fund	10,781,476	10,781,476	11,007,887	11,239,053	11,475,073	11,738,999
Other Appropriated Funds	10,263,300	10,263,300	10,478,829	10,698,885	10,923,561	11,174,803
Non-Appropriated Funds	0	0	0	0	0	0
Federal Funds	875,000	875,000	893,375	912,136	931,291	952,710
<b>Total Funds</b>	<b><u>21,919,776</u></b>	<b><u>21,919,776</u></b>	<b><u>22,380,091</u></b>	<b><u>22,850,073</u></b>	<b><u>23,329,925</u></b>	<b><u>23,866,513</u></b>
<b>Assumptions:</b>						

1. The FY 2014 Budget was used as the base to project estimates for FY 2015 through FY 2018. An annual inflation factor (CPI) of 2.1% for FY 2015 - FY 2017 and 2.3% for FY 2018\* were added.

**Department of Health Services**  
**Division of Licensing Services**  
**Resource Assumptions**  
*Five-Year Strategic Plan*

	<u>FY 2013 Appropriation</u>	<u>FY 2014 Budget Request</u>	<u>FY 2015 Budget Estimate</u>	<u>FY 2016 Budget Estimate</u>	<u>FY 2017 Budget Estimate</u>	<u>FY 2018 Budget Estimate</u>
<b>Full-time equivalent (FTE) Positions</b>	204.9	204.9	204.9	204.9	204.9	204.9
General Fund	0	0	0	0	0	0
Other Appropriated Funds	9,481,700	9,884,300	10,091,870	10,303,800	10,520,179	10,762,143
Non-Appropriated Funds	1,872,920	1,872,920	1,912,251	1,952,409	1,993,409	2,039,258
Federal Funds	4,568,600	4,568,600	4,664,541	4,762,496	4,862,508	4,974,346
<b>Total Funds</b>	<b><u>15,923,220</u></b>	<b><u>16,325,820</u></b>	<b><u>16,668,662</u></b>	<b><u>17,018,704</u></b>	<b><u>17,376,097</u></b>	<b><u>17,775,747</u></b>
<b>Assumptions:</b>						
1. The FY 2015 through FY 2018 projections assume continued committed funding by the state for Maintenance of Effort and State Match requirements to draw down federal funding.						
2. The FY 2014 Budget was used as the base to project estimates for FY 2015 through FY 2018. An annual inflation factor (CPI) of 2.1% for FY 2015 - FY 2017 and 2.3% for FY 2018* were added.						

**Department of Health Services**  
**Division of Behavioral Health Services**  
**Resource Assumptions**  
*Five-Year Strategic Plan*

	<u>FY 2013 Appropriation</u>	<u>FY 2014 Budget Request</u>	<u>FY 2015 Budget Estimate</u>	<u>FY 2016 Budget Estimate</u>	<u>FY 2017 Budget Estimate</u>	<u>FY 2018 Budget Estimate</u>
<b>Full-time equivalent (FTE) Positions</b>	884.1	884.1	884.1	884.1	884.1	884.1
General Fund	561,608,461	584,420,641	618,492,364	654,550,469	692,710,762	734,481,220
Other Appropriated Funds	51,554,000	51,554,000	52,636,634	53,742,003	54,870,585	56,132,609
Non-Appropriated Funds	1,337,286,686	1,442,530,347	1,526,629,866	1,615,632,387	1,709,823,756	1,812,926,128
Federal Funds	48,424,000	48,424,000	49,440,904	50,479,163	51,539,225	52,724,628
<b>Total Funds</b>	<b><u>1,998,873,147</u></b>	<b><u>2,126,928,988</u></b>	<b><u>2,247,199,769</u></b>	<b><u>2,374,404,023</u></b>	<b><u>2,508,944,328</u></b>	<b><u>2,656,264,585</u></b>
<b>Assumptions:</b>						
1. The FY 2015 through FY 2018 projections assume continued committed funding by the state for Maintenance of Effort and State Match requirements to draw down federal funding.						
2. The FY 2014 Budget was used as the base to project estimates for FY 2015 through FY 2018. An annual inflation factor (CPI) of 2.1% for FY 2015 - FY 2017 and 2.3% for FY 2018* were added.						
3. 3.73%** increase for medical inflation was estimated for Behavioral Health programs, General Fund area and non-appropriated fund area from FY 2015 - FY 2018.						



**Department of Health Services**  
**Division of Public Health Services**  
**Resource Assumptions**  
*Five-Year Strategic Plan*

	<u>FY 2013</u> <u>Appropriation</u>	<u>FY 2014</u> <u>Budget</u> <u>Request</u>	<u>FY 2015</u> <u>Budget</u> <u>Estimate</u>	<u>FY 2016</u> <u>Budget</u> <u>Estimate</u>	<u>FY 2017</u> <u>Budget</u> <u>Estimate</u>	<u>FY 2018</u> <u>Budget</u> <u>Estimate</u>
<b>Full-time equivalent (FTE) Positions</b>	505.4	505.4	505.4	505.4	505.4	505.4
General Fund	14,730,764	14,730,764	15,040,110	15,355,952	15,678,427	16,039,031
Other Appropriated Funds	17,518,300	17,518,300	17,886,184	18,261,794	18,645,292	19,074,134
Non-Appropriated Funds	52,886,400	52,886,400	53,997,014	55,130,952	56,288,702	57,583,342
Federal Funds	261,112,800	261,112,800	266,596,169	272,194,688	277,910,777	284,302,725
<b>Total Funds</b>	<b><u>346,248,264</u></b>	<b><u>346,248,264</u></b>	<b><u>353,519,478</u></b>	<b><u>360,943,387</u></b>	<b><u>368,523,198</u></b>	<b><u>376,999,231</u></b>

**Assumptions:**

1. The FY 2015 through FY 2018 projections assume continued committed funding by the state for Maintenance of Effort and State Match requirements to draw down federal funding.
2. The FY 2014 Budget was used as the base to project estimates for FY 2015 through FY 2018. An annual inflation factor (CPI) of 2.1% for FY 2015 - FY 2017 and 2.3% for FY 2018\* were added.

## Agency Summary

### DEPARTMENT OF HEALTH SERVICES

Will Humble, Director  
 Phone: (602) 542-1140  
 A.R.S. §§ 36-101 et seq.

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
➤ ADMINISTRATION	129,631.0	135,383.9	135,786.5
➤ BEHAVIORAL HEALTH SERVICES	1,754,232.3	1,749,359.6	1,874,641.3
➤ ARIZONA STATE HOSPITAL	923.8	923.8	5,378.2
➤ PUBLIC HEALTH SERVICES	315,747.7	328,873.9	328,873.9
<b>Agency Total:</b>	<b>2,200,534.8</b>	<b>2,214,541.2</b>	<b>2,344,679.9</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	427,112.9	464,568.2	487,804.4
Other Appropriated Funds	110,419.2	85,436.6	85,839.2
Other Non Appropriated Funds	1,663,002.6	1,664,536.4	1,771,036.3
<b>Total Funding</b>	<b>2,200,534.8</b>	<b>2,214,541.2</b>	<b>2,344,679.9</b>
<b>FTE Positions</b>	<b>1,782.0</b>	<b>1,782.1</b>	<b>1,782.1</b>

**Program Summary**

**ADMINISTRATION**

Janet Mullen, PhD, MBA, Deputy Director  
 Phone: (602) 542-1030  
 A.R.S. § 36-132

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	79,806.1	79,111.3	79,111.3
Other Appropriated Funds	35,230.0	41,179.3	41,581.9
Other Non Appropriated Funds	14,594.9	15,093.3	15,093.3
<b>Total Funding</b>	<b>129,631.0</b>	<b>135,383.9</b>	<b>135,786.5</b>
<b>FTE Positions</b>	<b>1,350.9</b>	<b>1,350.9</b>	<b>1,350.9</b>

◆ **Goal 1** To maximize ADHS effectiveness

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Administration as a percent of total cost	0	0	1	1	1
Percent of Continuous Quality Improvement (CQI) projects completed on schedule	0	0	100	100	100
Percent of agency staff turnover	15.8	15.9	21.6	21.6	21.6
Percent of new e-government applications implemented on schedule	0	0	100	100	100
Percent of allowed discounts taken	0	0	84	90	95
Percent of mail in requests to vital records for birth and death records that are processed within ten business days	0	0	95	95	95

◆ **Goal 2** To promote and protect public health and safety

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of child care license renewals granted within licensing timeframes	100	0*	NA	NA	NA
<b>Explanation:</b> Per S.B. 1315 Child Care licenses are perpetual. No renewals.					
Percent of child care complaint investigations initiated within investigative guidelines	100	99	100	100	100
Percent of health care licensure renewals granted within licensing timeframes	99.98	99	100	100	100
Percent of health care complaint investigations initiated within investigative guidelines	50.64	53	47	55	55

**Program Summary**

BEHAVIORAL HEALTH SERVICES

Cory Nelson, Acting Deputy Director  
 Phone: (602) 220-6000  
 A.R.S. § 36-3402

**This Program Contains the following Subprograms:**

- ▶ Administration
- ▶ Services for Persons with Serious Mental Illness
- ▶ Child and Adolescent Services

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	342,137.7	378,707.9	397,489.7
Other Appropriated Funds	68,667.0	36,146.6	36,146.6
Other Non Appropriated Funds	1,343,427.6	1,334,505.1	1,441,005.0
<b>Total Funding</b>	<b>1,754,232.3</b>	<b>1,749,359.6</b>	<b>1,874,641.3</b>
<b>FTE Positions</b>	<b>73.7</b>	<b>73.7</b>	<b>73.7</b>

**Subprogram Summary**

ADMINISTRATION

Cory Nelson, Acting Deputy Director  
 Phone: (602) 220-6000  
 A.R.S. § 36-3402

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	21,965.0	24,239.7	23,815.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	23,995.7	30,828.7	29,572.5
<b>Total Funding</b>	<b>45,960.7</b>	<b>55,068.4</b>	<b>53,388.2</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To ensure that the behavioral health needs of Arizonans are met through standards set in ADHS/RBHA contracts

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of eligible Title XIX population enrolled in behavioral health treatment programs	15	15	16	15	15

**Subprogram Summary**

SERVICES FOR PERSONS WITH SERIOUS MENTAL ILLNESS

Cory Nelson, Acting Deputy Director  
 Phone: (602) 220-6000  
 A.R.S. § 36-503.02

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	57,081.0	98,312.8	98,312.8
Other Appropriated Funds	2,250.0	2,250.0	2,250.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>59,331.0</b>	<b>100,562.8</b>	<b>100,562.8</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To integrate physical and behavioral health services

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of SMI clients on anti-psychotics receiving new generation psychotropic medications	57	50	60	60	60

**Subprogram Summary**

CHILD AND ADOLESCENT SERVICES

Cory Nelson, Acting Deputy Director  
 Phone: (602) 220-6000  
 A.R.S. Title 36, Ch. 29, 34

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	5,900.6	4,012.7	4,012.7
<b>Total Funding</b>	<b>5,900.6</b>	<b>4,012.7</b>	<b>4,012.7</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To strengthen the quality of publicly funded behavioral health services to children and their families through continued enhancement of comprehensive quality management programs

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of RBHA Title XIX families (with children ages 0-17) satisfied with services, as measured through an annual satisfaction survey	85	85	90	90	90

**Program Summary**

ARIZONA STATE HOSPITAL

Donna Noriega, Acting Chief Executive Officer  
 Phone: (602) 220-6006  
 A.R.S. § 36-202

**This Program Contains the following Subprograms:**

- ▶ Clinical and Program Services

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	4,454.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	923.8	923.8	923.8
<b>Total Funding</b>	<b>923.8</b>	<b>923.8</b>	<b>5,378.2</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Subprogram Summary**

CLINICAL AND PROGRAM SERVICES

Donna Noriega, Acting Chief Executive Officer  
 Phone: (602) 220-6006  
 A.R.S. § 36-202

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	1,130.7	1,130.7
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>0.0</b>	<b>1,130.7</b>	<b>1,130.7</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

- ◆ **Goal 1** To maintain a stable and competent workforce

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of staff turnover during the first 12 months of employment	5.28	7	23	22	22

- ◆ **Goal 2** To implement strategies to promote non-violent behavior

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of direct care staff trained in non-violent crisis intervention	0	0	100	100	100

**Program Summary**

PUBLIC HEALTH SERVICES

Will Humble, Director  
 Phone: (602) 542-1140  
 A.R.S. 36-132

**This Program Contains the following Subprograms:**

- ▶ Administration and Local, Border and Native American Health Offices
- ▶ Public Health Statistics
- ▶ Arizona Poison Control
- ▶ State Laboratory Services
- ▶ Epidemiology and Disease Control
- ▶ Health Systems Development
- ▶ Women's and Children's Health
- ▶ Children with Special Health Care Needs
- ▶ Nutrition and Physical Activity
- ▶ Biomedical Research Commission
- ▶ Emergency Medical Services

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	5,169.1	6,749.0	6,749.0
Other Appropriated Funds	6,522.2	8,110.7	8,110.7
Other Non Appropriated Funds	304,056.4	314,014.2	314,014.2
<b>Total Funding</b>	<b>315,747.7</b>	<b>328,873.9</b>	<b>328,873.9</b>
<b>FTE Positions</b>	<b>357.5</b>	<b>357.5</b>	<b>357.5</b>

**Subprogram Summary**

ADMINISTRATION AND LOCAL, BORDER AND NATIVE AMERICAN HEALTH OFFICES

Will Humble, Director  
 Phone: (602) 542-1140  
 A.R.S. §§ 36-132, 36-110, 36-189A

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	303,212.3	313,170.2	313,170.2
<b>Total Funding</b>	<b>303,212.3</b>	<b>313,170.2</b>	<b>313,170.2</b>
<b>FTE Positions</b>	<b>332.4</b>	<b>332.4</b>	<b>332.4</b>

◆ **Goal 1** To strengthen Statewide public health system

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of border health meeting attendees expressing satisfaction with Border Health Program	85	85	85	85	85

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of technical assistance requests from Native Health partners that are completed	0	0	100	100	100
Percent of monthly Arizona Local Health Officers Association (ALHOA) meetings conducted on schedule to engage county partners regularly	0	0	100	100	100

**Subprogram Summary**

PUBLIC HEALTH STATISTICS

Don Herrington, Assistant Director

Phone: (602) 364-3855

A.R.S. §§ 36-132, 36-136, 36-301 to 36-347

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	125.0	125.0	125.0
Other Appropriated Funds	1,000.0	1,000.0	1,000.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,125.0</b>	<b>1,125.0</b>	<b>1,125.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To maximize ADHS effectiveness

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Accuracy (percent) in collection and maintenance of accurate and complete cancer incidence data	0	0	95	95	95
Survey response rate (percent) for the AZ Behavioral Risk Factor Survey that is used to report on the health of Arizonans	0	0	25	25	25

**Subprogram Summary**

ARIZONA POISON CONTROL

Don Herrington, Assistant Director

Phone: (602) 364-3855

A.R.S. § 36-1163

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	666.3	990.0	990.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>666.3</b>	<b>990.0</b>	<b>990.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To promote and protect public health and safety

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Total number of calls made to U of A and	0	0	167,235	172,252	177,419



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Banner Poison Control centers to provide 24 hour, seven day a week statewide poison and drug information to doctors, medical institutions, and citizens					
Total number of follow up calls made by U of A and Banner Poison Control centers to track medical outcomes from human exposures	0	0	218,933	225,490	232,255

**Subprogram Summary**

STATE LABORATORY SERVICES

Don Herrington, Assistant Director

Phone: (602) 364-3855

A.R.S. §§ 36-451 to 36-479, 36-495, 36-15

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	4,948.5	6,260.7	6,260.7
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,948.5</b>	<b>6,260.7</b>	<b>6,260.7</b>
<b>FTE Positions</b>	<b>24.1</b>	<b>24.1</b>	<b>24.1</b>

◆ **Goal 1** To promote and protect public health and safety

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of micro performance testing samples correct	0	0	99.38	99	99
Number of environmental labs licensed	0	0	143	143	143
To increase the percentage of laboratory reports submitted by electronic laboratory reporting (ELR)	0	0	35	50	70

**Subprogram Summary**

EPIDEMIOLOGY AND DISEASE CONTROL

Don Herrington, Assistant Director

Phone: (602) 364-3855

A.R.S. §§ 36-132, 36-136

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	1,486.3	1,590.7	1,590.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,486.3</b>	<b>1,590.7</b>	<b>1,590.7</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To promote and protect public health and safety

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
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Immunization rate among 2-year old children	85	86	80	80	82
Percent of monthly infectious disease trainings to county health departments conducted on schedule	0	0	100	100	100
Percent of urgent infectious diseases that are reported to ADHS within legally mandated timeframes	0	0	76	85	85

**Subprogram Summary**

HEALTH SYSTEMS DEVELOPMENT

Sheila Sjolander, Assistant Director  
 Phone: (602) 542-2818  
 A.R.S. §§ 15-1721, 36-2921

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	198.0	198.0	198.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>198.0</b>	<b>198.0</b>	<b>198.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To strengthen Statewide public health system

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of areas redesignated in a timely manner	100	100	100	100	100

**Subprogram Summary**

WOMEN'S AND CHILDREN'S HEALTH

Sheila Sjolander, Assistant Director  
 Phone: (602) 542-2818  
 A.R.S. § 36-132

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	2,693.5	3,545.3	3,545.3
Other Appropriated Funds	211.5	450.0	450.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>2,905.0</b>	<b>3,995.3</b>	<b>3,995.3</b>
<b>FTE Positions</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

◆ **Goal 1** To impact Arizona's winnable battles

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of high school youth who smoked in the last month	20	17	17	17	15

**Explanation:** The FY 2012 data reflects an estimate. The statistics for FY 2012 will be available in June, 2013 following completion of the Youth Tobacco Survey.

**Subprogram Summary**

CHILDREN WITH SPECIAL HEALTH CARE NEEDS

Sheila Sjolander, Assistant Director  
 Phone: (602) 542-2818  
 A.R.S. §§ 36-132

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	844.0	844.0	844.0
<b>Total Funding</b>	<b>844.0</b>	<b>844.0</b>	<b>844.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To strengthen statewide public health system

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of Arizona families with children with special health care needs partnering in decision making and satisfied with services per the State and Local Area Integrated Telephone (SLAITS) survey	56	56	66.2	66.2	66.2

**Subprogram Summary**

NUTRITION AND PHYSICAL ACTIVITY

Sheila Sjolander, Assistant Director  
 Phone: (602) 542-2818  
 A.R.S. § 36-132

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	362.2	400.0	400.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>362.2</b>	<b>400.0</b>	<b>400.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To impact Arizona's winnable battles

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of adults eating the recommended amount of fruits and veggies	25.2	25.7	21.3	21.8	22.3
Percent of adults who get the recommended amount of physical activity	0	0	52.3	52.8	53.3

**Subprogram Summary**

BIOMEDICAL RESEARCH COMMISSION

Don Herrington, Assistant Director  
 Phone: (602) 364-3855  
 A.R.S. 36-271 to 36 -278

◆ **Goal 1** To promote and protect public health and safety

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of research contracts that are in compliance	0	0	75	85	85

**Subprogram Summary**

EMERGENCY MEDICAL SERVICES

Don Herrington, Assistant Director  
 Phone: (602) 364-3855  
 A.R.S. §§ 36-2201 to 36-2246

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	300.0	300.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>0.0</b>	<b>300.0</b>	<b>300.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To promote and protect public health and safety

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of public health and emergency response professionals on Health Alert Network	6,100	6,300	13,122	13,514	13,906
Percent of trauma centers granted designation within the timeframes established in administrative rule	100	100	100	100	100

# Governor's Office of Highway Safety

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**ARIZONA  
GOVERNOR'S OFFICE  
OF  
HIGHWAY SAFETY**



**JANICE K. BREWER**

GOVERNOR  
STATE OF ARIZONA

**ALBERTO C. GUTIER**

DIRECTOR and  
GOVERNOR'S HIGHWAY SAFETY REPRESENTATIVE

**STRATEGIC PLAN  
2013 - 2017**

## Mission Statement

To be the focal point for highway safety issues in Arizona, to provide leadership by developing, promoting, and coordinating programs relating to highway safety, to influence public and private policy regarding highway safety, and to increase public awareness of highway safety.

## Agency Description

The Governor's Office of Highway Safety (GOHS) develops the Arizona Highway Safety Plan (HSP) through annual problem identification and analysis of traffic records, citation, convictions, judicial outcome, incarcerations, assessments, screening, treatment, prevention, and surveys. The HSP serves as a means for the reduction of traffic crashes, deaths, injuries, and property damage resulting from the accidents on public roads. GOHS develops, promotes, and implements effective education and enforcement programs geared towards ending preventable crashes and reducing economic costs associated with vehicle use and highway travel.

## Strategic Issues and Strategies

1. Decrease the fatality rate per 100 million vehicle miles traveled (VMT).
  - a. The agency will analyze statewide/local traffic data and develop a HSP. This includes requesting grant proposals from jurisdictions for highway safety projects. These proposals will be reviewed by GOHS staff to determine performance during enforcement periods, past grant award expenditures and crash data provided from the jurisdiction that indicates a serious problem.
2. Reduce the alcohol involvement in crashes.
  - a. The agency will fund law enforcement jurisdictions for DUI Enforcement patrols.
  - b. The agency will provide training to law enforcement jurisdiction officers for standardized field sobriety/horizontal gaze nystagmus and drug recognition expert/phlebotomy.
3. Decrease serious traffic injuries.
  - a. The agency will fund enforcement for seat belt use, speeding, and aggressive driving.
  - b. The agency will provide public information using the media.
  - c. The agency will fund surveys.

Resource Assumptions

	FY 2013	FY 2014	FY 2015	FY 2016	FY2017
	Estimate	Estimate	Estimate	Estimate	Estimate
Full-Time Equivalent (FTE) Positions	11.0	11.0	11.0	11.0	11.0
Non- Appropriated Funds	\$464,200	\$464,200	\$464,200	\$464,200	\$464,200
Federal Funds	\$6,667,000	\$6,667,000	\$6,667,000	\$6,667,000	\$6,667,000
Total Agency Funds	\$7,131,200	\$7,131,200	\$7,131,200	\$7,131,200	\$7,131,200



### Agency Summary

#### GOVERNOR'S OFFICE OF HIGHWAY SAFETY

Alberto C. Gutier, Director  
 Phone: (602) 255-3216  
 A.R.S. § 28-602

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	8,067.6	7,131.2	7,131.2	7,131.2
<b>Total Funding</b>	<b>8,067.6</b>	<b>7,131.2</b>	<b>7,131.2</b>	<b>7,131.2</b>
<b>FTE Positions</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>

- ◆ **Goal 1** To decrease the fatality rate per 100 million vehicle miles traveled (VMT) from the base level of 1.52 to 1.37 by December 31, 2012.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Grant Proposals received from jurisdictions.	178	200	300	300	300	300
Contracts negotiated, written, and executed.	263	270	280	280	280	280
Crashes (prior calendar year).	106,111	105,000	103,423	102,500	102,500	102,500

**Explanation:** Actual data presents the prior year calendar data. Performance measures will now be calculated using a calendar year base average.

Miles traveled fatality rate (prior calendar year).	1.27	1.27	1.38	1.37	1.37	1.37
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**Explanation:** Crash data compiled on calendar year

Total statewide fatalities (prior calendar year).	762	760	825	825	825	825
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**Explanation:** Actual data represents the prior year calendar data. Performance measures will now be calculated using a calendar year base average.

Total persons injured (prior calendar year).	50,100	50,000	49,550	49,000	49,000	49,000
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**Explanation:** Actual data represents the prior year calendar data. Performance measures will now be calculated using a calendar year base average.

- ◆ **Goal 2** To have the percentage of increase of the total number of persons killed be less than the percentage of increase of VMT and population in the base year of 2001.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Placement/contracts for alcohol-detection devices.	190	195	150	200	200	200
Agencies funded for DUI enforcement.	51	50	60	60	60	60
DUI enforcement patrols.	230	230	235	240	240	240
Officers receiving standardized field sobriety/horizontal gaze nystagmus/drug recognition expert/phlebotomy training.	761	800	800	800	800	800
Alcohol-related fatalities (prior calendar year).	219	219	236	235	235	235

**Explanation:** Actual represents prior calendar year actual. Performance measures will now be calculated using a calendar year base average.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Judges attending GOHS Summit training on DUI, Speed, Seat Belt, etc.	300	300	67	70	70	70

CONFERENCE FOR JUDGES ONLY.

- ◆ **Goal 3** To decrease serious traffic injuries 10 percent from the 2008-2010 calendar year base average of 52,474 injuries to 47,226 injuries by December 31, 2012.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Agencies participating in public information & education/enforcement projects.	84	86	86	88	88	88
Public information & education campaigns developed each calendar quarter.	4	4	4	4	4	4
Enforcement/training/public information & education events.	10	10	10	10	10	10
Percent of seat belt use (prior calendar year).	82.9	83.0	82.2	83.02	83.02	83.02

**Explanation:** Actual data represents prior calendar year actual. Performance measures will now be calculated using a calendar year base average.

Percent of child safety belt use.	79.1	79.1	82.2	83.02	83.02	83.02
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**Explanation:** Actual data represents prior calendar year actual. Performance measures will now be calculated using a calendar year base average.

# Arizona Historical Society

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



# ARIZONA HISTORICAL SOCIETY

## STRATEGIC PLAN

2013 - 2017



*Let's make history!*

## LETTER FROM THE DIRECTOR



### Arizona Historical Society founded by an act of the Arizona Territorial Legislature in 1864

**Executive Offices**  
949 E. 2nd St.  
Tucson, AZ 85719-4898  
520-617-1169  
Fax 520-628-5695

**Education Division**  
1300 N. College Ave.  
Tempe, AZ 85281-1211  
480-929-0292  
Fax 480-967-5450

**Publications Division**  
949 E. 2nd St.  
Tucson, AZ 85719-4898  
520-617-1166  
Fax 520-628-5695

**Central Division**  
Museum at Papago Park  
1300 N. College Ave.  
Tempe, AZ 85281-1211  
480-929-0292  
Fax 480-967-5450

**Northern Division**  
Pioneer Museum  
2340 N. Fort Valley Rd.  
Flagstaff, AZ 86001-1200  
928-774-6272  
Fax 928-774-1596

**Rio Colorado Division**  
Sanguinetti House Museum  
240 S. Madison Ave.  
Yuma, AZ 85364-1421  
928-782-1841  
Fax 928-783-0680

**Southern Division**  
Arizona History Museum  
949 E. 2nd St.  
Tucson, AZ 85719-4898  
520-628-5774  
Fax 520-629-8966

Dear Arizonan:

I am pleased to submit the Arizona Historical Society Strategic Plan, 2013-2017, that confirms our agency's commitment to all citizens to serve as the steward of Arizona's rich historical resources. As articulated in its vision statement, the Arizona Historical Society engages people in the exploration of Arizona's diverse cultural and natural history. Through comprehensive and innovative services, interpretive programs, and stewardship, we provide connections to the past, perspective on the present, and inspiration for the future.

Goals articulated in the pages that follow speak to AHS efforts to enhance the agency's infrastructure (including personnel, facilities, and delivery systems), to expand educational and public programming, broaden audience participation and maintaining the highest quality of public service---while ever mindful of available resources and keeping a close eye on issues of sustainability.

The Arizona Historical Society will strive to fulfill its mission and dedicates itself to meeting the goals set forth in the years ahead.

Sincerely,

Anne I. Woosley, Ph. D.  
Executive Director



*Let's Make History!*  
[www.arizonahistoricalsociety.org](http://www.arizonahistoricalsociety.org)

## EXECUTIVE SUMMARY

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Established by an Act of the First Territorial Legislature on November 7, 1864, the Arizona Historical Society (AHS) is Arizona's oldest historical agency. Architects of the Territory's code of laws realized they were making history and that it was important to preserve a record of their activities. One of their earliest actions was to create the means for documenting the past and recording contemporary events as they unfolded. This became the Arizona Historical Society that we know today, formed to collect and preserve "all facts relating to the history of this Territory." After statehood, in 1913, new legislation re-affirmed the Arizona Historical Society and re-established it as a trustee agency of the state to preserve our most precious of commodities, our history. Current statutes, A.R.S. §41-821 and A.R.S. §41-823, continue the legislative direction first established in 1864.

### Mission

*The mission of the Arizona Historical Society is to collect, preserve, interpret, and provide access to the history of Arizona.*

### Vision

*The Arizona Historical Society engages people in the exploration of Arizona's diverse cultural and natural history. Through comprehensive and innovative services, interpretive programs, and stewardship, we provide connections to the past, perspective on the present, and inspiration for the future.*

The Arizona Historical Society was established as a trustee agency for the state and a non-profit educational corporation. The Society actively and diligently pursues its objectives to be a community resource and partner, a 21<sup>st</sup> century information agency, and stewards of Arizona's past, present, and future.

To accomplish these objectives, the Arizona Historical Society:

- Collects, preserves, and provides access to AHS collections and resources.
- Supports local historical museums through AHS Certified Museum Program.
- Publishes the *Journal of Arizona History*, books and monographs.
- Expands access to AHS collections and resources through outreach programs, on-site, off-site, and on-line services.
- Conducts seminars, institutes, and workshops for students, educators, professionals, local history museums throughout the state, as well as the general public using library, archive, and museum resources.

- Provides tools and assists classroom teachers in curriculum development.
- Collaborates with federal, state and local governments, industry, school districts, and community organizations to strengthen Arizona’s cultural infrastructure.
- Organizes and sponsors the annual Arizona History Convention.
- Selects annual *Al Merito* award to individuals and organizations for achievements in contributing and promoting Arizona history.
- Serves on the Arizona Historic Advisory Commission, the Governor’s Awards in Historic Preservation Selection Committee, Arizona Historic Records and Archives Board.
- Administers and approves the Arizona Historic Marker Program.
- Directs the AHS Fellowship Program.
- Appoints AHS representative to the Historic Sites Review Committee, the Arizona State Board of geographic Historic Names Committee, the Arizona Parkways, Historical and Scenic Roads Advisory Committee.



The resources held in trust by the Arizona Historical Society are the most comprehensive in scope---reflecting the history, development, and cultures of the state---available anywhere. Consequently, other entities frequently call upon AHS as a primary resource for information, education, and loaned material. While we collaborate

with many entities to promote Arizona, AHS serves as the principal agency encompassing all aspects of our state.

## STRATEGIC PRIORITIES AND GOALS

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### STRATEGIC PRIORITY I: ADMINISTRATIVE PLANNING

The Arizona Historical Society strives to develop and strengthen its human resources and organizational management knowing that the most important part of keeping the Society operational is the people and their collective energy, knowledge, and enthusiasm.

**Strategic Goal 1.1: Create a healthy climate and culture, efficient operations, and performance targets to increase the effectiveness of our mandate delivery.**

**Objective 1.1.1:** Establish and use effective communication among staff and administration.

**Objective 1.1.2:** Involve staff in identifying and implementing strategies to create and maintain a climate and culture that will make working at AHS satisfying, meaningful, and effective in providing public value.

**Objective 1.1.3:** Develop a culture and incentive system that promotes effective internal and external customer service and teamwork.

**Strategic Goal 1.2: Provide for continuous improvement and efficient allocation of resources.**

**Objective 1.2.1:** Assess human resource skill/ allocation needs based upon external environmental factors and develop human resource recruitment and succession plan to optimize agency long-term performance.

**Objective 1.2.2:** Assess and recruit for specific skills sets for staff, and boards.

**Objective 1.2.3:** Organize the Divisions as needed to take advantage of skills and opportunities and effectively provide mandated functions.

**Objective 1.2.4:** Identify needed training and development and ensure staff is adequately trained for present and future needs.

**Objective 1.2.5:** Ensure that policies and procedures meet current and future needs.



**Objective 1.2.6:** Recruit and develop a diverse workforce so that we can better serve a diverse public.

**Strategic Goal 1.3: Help staff reach full potential and meet stakeholder expectations.**

**Objective 1.3.1:** Create and implement new hire orientations.

**Objective 1.3.2:** Implement professional development for AHS Board, agency leadership and department staff.

**Objective 1.3.3:** Provide strategic training opportunities for individuals based on annual plan, agency need, individual goals and work group resources.

**Objective 1.3.4:** Ensure that staff have the skills, competencies, training, and tools they need to support their customers in a changing environment.

## STRATEGIC PRIORITY 2: FINANCIAL PLANNING

The Arizona Historical Society strives to define and develop financially responsible fiscal management.

**Strategic Goal 2.1: Identify and Secure Additional Funding Sources.**

**Objective 2.1.1:** Develop and strengthen every avenue of public support to secure future public funding.

**Objective 2.1.2:** Plan and mount major capital and endowment campaigns.

**Objective 2.1.3:** Increase earned income from fees and services in accordance with revenue enhancement tactics.

**Objective 2.1.4:** Develop private sector partnerships to leverage rental potential of agency sites and commercial use of collections.

## STRATEGIC PRIORITY 3: CAPITAL PLANNING

The Arizona Historical Society strives to maintain and improve the care of the interior and exterior of its museums. The integrity of museum buildings directly impacts the visitor experience and public safety, as well as the collections housed within their walls.

**Strategic Goal 3.1: Create a plan for realizing the usage potential of AHS real estate holdings that anticipates needs and opportunities in using space to achieve organizational goals.**

**Objective 3.1.1:** Evaluate properties and plan for optimal financial productivity and strategic applications.

**Strategic Goal 3.2: Address deferred maintenance needs and create a schedule of necessary maintenance.**

**Objective 3.2.1:** Develop plan to prioritize and subsequently mitigate deferred maintenance issues in museum buildings.

**Objective 3.2.2:** Engage in open dialog with State pertaining to fund allocations and maintenance of state owned facilities.

**Strategic Goal 3.3: Develop, fund, and implement a capital improvement plan that takes into account AHS's needs up to the next 25 years.**

#### STRATEGIC PRIORITY 4: I.T. INFRASTRUCTURE

The Arizona Historical Society is a 21<sup>st</sup> century information agency. AHS will be instrumental in shaping Arizona's identity for the next 100 years. How the world will understand Arizona, will largely be determined by the historical documents and objects we keep. That, in turn, will be determined by technology and technology informs all aspects of what we do. We now seek, identify, capture, store, transmit, and deliver information in all formats. We will support an information technology infrastructure that is flexible, robust, secure, and scaleable, and that serves AHS's customers, both internal and external. Having the ability to manage, use, find, share, and appropriately dispose of electronic records is vital for the effective functioning of AHS and it is central to an agency that strives to be transparent, participatory, and collaborative.

**Strategic Goal 4.1: Maintain a high-quality technological infrastructure that is capable of supporting all of our internal operations and the website.**

**Objective 4.1.1:** Conduct internal assessment of current and future IT needs for the agency.

**Objective 4.1.2:** Conduct external assessment of current agency infrastructure.

**Objective 4.1.3:** Pursue the recruitment of a Digital Manager to oversee implementation of strategic IT Infrastructure goals.

**Objective 4.1.4:** Write grants for acquiring hardware & software.

**Strategic Goal 4.2: Using a coordinated, division-wide approach, meet the educational, technical, and cultural needs of diverse customers through enhanced delivery of information.**

**Objective 4.2.1:** Provide needed data effectively and efficiently.

**Objective 4.2.2:** Facilitate the dissemination of information effectively and efficiently.

**Strategic Goal 4.3:** Optimize online publications for effective use by customers.

## STRATEGIC PRIORITY 5: ONLINE PRESENCE

**Strategic Goal 5.1:** Develop and implement a plan for strategic web development that makes arizonahistoricalsociety.org the primary online resource for people to connect with Arizona's history.

**Objective 5.1.1:** Develop a team-based approach to improving our technological infrastructure to include our web properties.

**Objective 5.1.2:** Develop an educator's portal on AHS's website that utilizes new media to create accurate, engaging, and standards-based materials to disseminate AHS's resources.

**Objective 5.1.3:** Develop and implement a social network plan that makes it easy for individuals and organizations to more easily access AHS resources.

**Strategic Goal 5.2:** Facilitate online purchase of retail items and payment for AHS services and programs.

## STRATEGIC PRIORITY 6: COLLECTIONS STEWARDSHIP

The asset that distinguishes AHS from its peers is its rich and irreplaceable collection of historical artifacts, natural history specimens, manuscripts, and printed material.

**Strategic Goal 6.1:** Develop strategies for storage, preservation, and collections security.

**Objective 6.1.1:** Prioritize and address the preservation needs of all AHS collections, regardless of format.

**Objective 6.1.2:** Proactively adapt our security measures for our staff, collections and infrastructure to meet changing threats and vulnerabilities.

**Objective 6.1.3:** Develop and implement a comprehensive Collections Management Manual including Collections Development plans for each collecting Division.

**Objective 6.1.4:** Adopt and implement a collections disaster plan.

**Objective 6.1.5:** Establish effective physical control over all collections: launch inventory process.

**Objective 6.1.6:** Create a plan for cataloging and processing backlog.

**Strategic Goal 6.2: Manage the Collections using appropriate technological tools for more complete understanding, greater public access, and enhanced public programming**

**Objective 6.2.1:** Develop integrated plan for gathering collections info, identify data to share with public, create front-end searchable database.

**Objective 6.2.2:** Develop plan for exponential database growth and access.

**Strategic Goal 6.3: Assist customers in surveying, preserving, developing, interpreting, and utilizing heritage resources to facilitate economic development, community improvement, heritage tourism, and quality of life.**

**Objective 6.3.1:** Provide individuals and groups with ease of access through a variety of channels – including online catalogs and finding aids, on-site databases, school tours, educational programs, exhibitions, and off-site programs, exhibitions, and partnerships.

**Strategic Goal 6.4: Maximize AHS's existing collections storage capacity to meet its current needs and expected growth.**

**Objective 6.4.1:** Evaluate all of AHS's existing properties for space use and environmental appropriateness for collections storage purposes.

**Objective 6.4.2:** Identify criteria of appropriate collections storage spaces.

**Objective 6.4.3:** Develop plans for reclaiming or re-purposing spaces for additional collections storage.

**Objective 6.4.4:** Deaccession materials inappropriate to the mission and remove those items from AHS collections storage spaces.

**Objective 6.4.5:** Strategic Goal: Improve curatorial workspace for accessioning and preservation.

**STRATEGIC PRIORITY 7: COLLECTIONS ACCESS**

In the decades to come, the expectation of easy online access to AHS holdings will grow. The breadth of information available on the Internet has increased public demand for faster access to more information.

**Strategic Goal 7.1: Provide convenient access to collections for customers and public.**

**Objective 7.1.1:** Develop a comprehensive integrated and automated collections records system.

**Strategic Goal 7.2: Equip these facilities and staff with the tools to help researchers locate records at any AHS facility.**

**Strategic Goal 7.3: Provide statewide leadership through leveraging partnerships to preserve and provide access to the evidence of Arizona's past.**

**Strategic Goal 7.4: Address the challenges of electronic records to ensure success in fulfilling AHS's mission in the digital era.**

**Objective 7.4.1:** Identify permanently valuable electronic records wherever they are, capture them, and make them available in usable form as quickly as practical.

**Objective 7.4.2:** Partner with agencies, research institutions, and private industry to develop, implement, manage, and promote our electronic records program both within AHS and for the public at large.

**STRATEGIC PRIORITY 8: EDUCATION AND PUBLIC PROGRAMMING**

**Strategic Goal 8.1: Improve the quality of interpretive services statewide.**

**Objective 8.1.1:** Assess all interpreters (Amazing Arizonans, guides, docents, suitcase presenters, speakers bureau, etc.).

**Objective 8.1.2:** Evaluate, reorganize, eliminate, and/or rename current programs.

**Objective 8.1.3:** Design and implement school tours with thematic approach.

**Objective 8.1.4:** Recruit and train guides for AHS museums and programs.

**Objective 8.1.5:** Implement Arizona History Forum guide training program.

**Objective 8.1.6:** Continue development of interpretive products to be used in all AHS museums.

**Objective 8.1.7:** Work with regional Division Directors in planning of programs, exhibits, and fundraisers.

**Objective 8.1.8:** Extend reach into local schools with targeted outreach and improved onsite and in school programming.

**Objective 8.1.9:** Develop onsite programming that is focused on enhancing the museum visitor experience.

**Objective 8.1.10:** Plan for the next generation of exhibits and programming.

**Strategic Goal 8.2: Engage and educate the public in Arizona history by creating high-quality programs that demonstrate the relevance of the past, reach across the state, and rely on strong partnerships.**

**Objective 8.2.1:** Foster skills in historical inquiry, analysis, critical thinking and information literacy to explore ideas, respect the diversity of human experience and make informed judgments about issues that affect our lives.

**Objective 8.2.2:** Create statewide teaching programs using current national models in the ways they use historic resources and the ways they form partnerships with other groups.

**Objective 8.2.3:** Develop and implement an overall strategy for reaching key educational target markets that includes leveraging partnerships.

**Objective 8.2.4:** Create relevant, vibrant exhibits and public programs that educate, entertain and engage the public in meaningful conversations about Arizona's past and how it shaped the present, and serves as inspiration for the future.

**Objective 8.2.5:** Expand market awareness of exhibits, programs, and educational opportunities through partnerships and co-marketing.

**Objective 8.2.6:** Investigate and establish a strategy that employs web-based platforms to share collections, educate students and the public, increase visibility, augment publications and exhibits, and grow meaningful collaborations.

**Objective 8.2.7:** Establish working relationships with area historical societies and heritage organizations, educational institutions, cultural organizations, and groups representing ethnic communities.

**Objective 8.2.8:** Improve upon the quality of current location-based education programs by conveying unique messages and stories about Arizona History not currently told in other museums.

**Strategic Goal 8.3: Expand science education programming statewide.**

**Objective 8.3.1:** Design and implement science education programs.

**Objective 8.3.2:** Use current and future exhibits to connect science education programs to exhibition themes and content.

**Strategic Goal 8.4: Expand National History Day in Arizona program.**

**Objective 8.4.1:** Increase awareness and participation in National History Day by increasing teachers, students, and regional museums participation.

**Objective 8.4.2:** Increase fundraising efforts around the state.

**Objective 8.4.3:** Work with regional coordinators in planning of programs, competitions, materials, and fundraisers.

**Strategic Goal 8.5: Coordinate to provide meaningful, effective opportunities for lifelong learning.**

**Objective 8.5.1:** Use resources effectively by establishing a institution-wide philosophy/policy on our role in lifelong learning.

**Objective 8.5.2:** Identify training needs of our mandated customers and create a plan to more effectively provide this training.

**Objective 8.5.3:** Work toward putting staff presentations and trainings online.

**Objective 8.5.4:** Utilize a variety of delivery mechanisms: Individuals learn in different ways.

**Objective 8.5.5:** Organize an experience-based approach, overseeing planning and assuring excellent quality, facilities, and customer service.

**Objective 8.5.6:** Create a better understanding of target market needs and interests as a foundation for better relationships and realignment of activities that will foster greater participation in AHS programs.

**Objective 8.5.7:** Develop and implement an interpretive plan for the entire organization that focuses on programs and exhibits that incorporate empowering

intergenerational audiences with personally and culturally relevant history experiences.

**Strategic Goal 8.6: Strengthen web and other media delivery of content for an education audience. (See Strategic Priority 4)**

## STRATEGIC PRIORITY 9: AUDIENCE REACH

AHS's future success depends on our ability to identify, please, serve, cultivate, and build our audiences. These include our members and donors, volunteers, school groups and teachers, researchers and learners of all ages (scholars, professionals, collectors, media writers and staff), family historians and genealogists, history buffs, heritage visitors, and the interested public.

**Strategic Goal 9.1: Expand the audience for AHS publications through electronic publication and distribution**

**Objective 9.1.1:** Digital publication of books and The Journal of Arizona History.

**Objective 9.1.2:** Increase accessibility of existing publications through digital conversion.

**Strategic Goal 9.2: Assist customers in surveying, preserving, developing, interpreting, and utilizing heritage resources to facilitate economic development, community improvement, energy and other projects, heritage tourism, and quality of life.**

**Objective 9.2.1:** Through services and relationships with partners and customers, strengthen all parties, create synergy, multiply outcomes, and further economic development.

**Objective 9.2.2:** Enable communities to develop and use their heritage resources to strengthen their economies.

**Strategic Goal 9.3: Strengthen partnerships to more efficiently provide outreach to the general public.**

**Objective 9.3.1:** Work with partners to identify ways to provide outreach and learning opportunities through partnerships and cooperation.

**Objective 9.3.2:** Strengthen and form partnerships to make events more effective, using fewer staff resources.

**Objective 9.3.3:** Expand our partnerships with the professional communities and state agencies that share our goals and mission.



**Objective 9.3.4:** Foster strategic alliances to increase access to collections, expand digital assets and research tools, and generate new revenues.

**Objective 9.3.5:** Develop strong brand identity and messaging for changing exhibits and their accompanying programs for Arizona Historical Society.

**Strategic Goal 9.4: Create an organization that innovates naturally and frequently, adapts to the need for change, and is responsive to the community it serves.**

**Objective 9.4.1:** Reorganize membership classifications to reflect new perceptions of membership. Include youth membership and teacher membership, for example.

**Strategic Goal 9.5: Increase public awareness and support for historical records preservation and access.**

**Objective 9.5.1:** Personalize the history experience and connect in new ways to the communities it serves.

**Objective 9.5.2:** Engage state and local legislative stakeholders, learning more about their goals and increasing public awareness of, and investment in, the Society's operations.

**Strategic Goal 9.6: Promote AHS as a leader in the community for historical events of significant, statewide importance, teaching the lessons and legacies from these events.**

**Strategic Goal 9.7: Communicate effectively with our audiences both in person and virtually to provide educational, relevant, and engaging experiences in a variety of formats (lectures, family programs, special events, virtual and long- and short-term exhibitions, shopping opportunities, off-site statewide outreach, and dedicated staff and volunteers assisting researchers).**

**Objective 9.7.1:** Target those experiences to specific audiences, focusing our resources on maximizing the value we provide to win support for our future.

**Objective 9.7.2:** Use targeted statewide marketing to reach our audiences, cultivate those supportive of our mission, and invite them to invest in AHS' future.

**Objective 9.7.3:** Optimize public awareness and participation in agency services through enhanced brand identity, web-site, marketing and outreach.

**Strategic Goal 9.8: Raise AHS profile in the community.**

**Objective 9.8.1:** Develop products/programs to be used in all AHS museums.

**Objective 9.8.2:** Continue regular updates of AHS Webpage with new design/structure.

**Objective 9.8.3:** Administer AHS Social Media networks.

**Objective 9.8.4:** Provide support and collaborations in the community.

**Objective 9.8.5:** Continue production of educational publications.

**Objective 9.8.6:** Create teacher curricular resources.

**Objective 9.8.7:** Provide workshop supplements.

**Objective 9.8.8:** Create textbooks and children's books.

**Objective 9.8.9:** Continually monitor and evaluate programs and change accordingly.

**Objective 9.8.10:** Develop new programs.

**Objective 9.8.11:** Continue professional presentations at conferences.

**Objective 9.8.12:** Encourage staff to attend professional development opportunities.

**Objective 9.8.13:** Continue presence in university classes at ASU, UA, and NAU.

**Objective 9.8.14:** Develop partnerships and collaborations with professional organizations and businesses.

**Objective 9.8.15:** Participate in professional organizations such as the American Association for State and Local History, Museum Association of Arizona, Central Arizona Museum Association, Tucson Association of Museums, Arizona Council for the Social Studies, Western Museum Association, etc.

**Objective 9.8.16:** Increase grant applications through professional partnerships.

**Objective 9.8.17:** Recruit and mentor college interns.

## PERFORMANCE MEASURES

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Periodic assessment of the results we achieve and the extent to which our organization caused these results is necessary for successful strategic management. Decision makers need to know what worked, what did not, and why, and explore ideas of what should be done next. The evaluation process described below provides the information we need to improve performance, ensure accountability, and inform the planning process.

### CUSTOMER SATISFACTION ASSESSMENT

Development and implementation of a comprehensive and coordinated program to measure customer satisfaction with our services is another key to strategic management success. Our customers are surveyed regularly to help us align our standards of performance with their expectations. By repeating surveys at frequent, systematic intervals, changes in our performance are measured and appropriate management actions are taken to ensure that service levels reflect an appropriate balance between customer needs and AHS resources.

### MONTHLY MANAGEMENT REPORTS

This report tracks the activities and progress of each agency division.

### ANNUAL REPORTS

The Annual Report to Membership is organized around the agency's strategic goals and accomplishments.

## **STRATEGIC PRIORITIES AND GOALS TIMELINE**

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Goal	Lead	FY13	FY14	FY15	FY16	FY17
1.1 Create a healthy climate and culture, efficient operations, and performance targets to increase the effectiveness of our mandate delivery.	Administration	X	X	X	X	X
1.2 Provide for continuous improvement and efficient allocation of resources.	Administration	X	X	X	X	X
1.3 Help staff reach full potential and meet stakeholder expectations.	Administration	X	X	X	X	X
2.1 Identify and Secure Additional Funding Sources.	Administration	X	X	X	X	X
3.1 Create a plan for realizing the usage potential of AHS real estate holdings that anticipates needs and opportunities in using space to achieve organizational goals.	Administration		X	X		
3.2 Address deferred maintenance needs and create a schedule of necessary maintenance.	Administration	X	X			
3.3 Develop, fund, and implement a capital improvement plan that takes into account AHS's needs up to the next 25 years.	Administration		X	X		
4.1 Maintain a high-quality technological infrastructure that is capable of supporting all of our internal operations and the website.	Collections	X	X	X	X	X
4.2 Using a coordinated, division-wide approach, meet the educational, technical, and cultural needs of diverse customers through enhanced delivery of information.	Collections	X	X	X	X	X
4.3 Optimize online publications for effective use by customers.	Publications	X	X			
5.1 Develop and implement a plan for strategic web development that makes arizonahistoricalsociety.org the primary online resource for people to connect with Arizona's history.	Publications	X				
5.2 Facilitate online purchase of retail items and payment for AHS services and programs.	Collections	X	X			
6.1 Develop strategies for storage, preservation, and collections security.	Collections	X	X			
6.2 Manage the Collections using appropriate technological tools for more complete understanding, greater public access, and enhanced public programming.	Collections	X	X	X	X	X
6.3 Assist customers in surveying, preserving, developing, interpreting, and utilizing heritage resources to facilitate economic development, community improvement, heritage tourism, and quality of life.	Collections	X	X	X	X	X
6.4 Maximize AHS's existing storage capacity to meet its current needs and expected growth.	Collections	X	X	X		
7.1 Provide convenient access to collections for customers and public.	Collections	X	X	X	X	X
7.2 Equip facilities and staff with the tools to help researchers locate records at any AHS facility.	Collections	X	X			
7.3 Provide statewide leadership through leveraging partnerships to preserve and provide access to the evidence of Arizona's past.	Education	X	X	X	X	X
7.4 Address the challenges of electronic records to ensure success in fulfilling AHS's mission in the digital era.	Collections	X	X	X	X	

Goal	Lead	FY13	FY14	FY15	FY16	FY17
8.1 Improve the quality of interpretive services statewide.	Education	X	X	X	X	X
8.2 Engage and educate the public in Arizona history by creating high-quality programs that demonstrate the relevance of the past, reach across the state, and rely on strong partnerships.	Education	X	X	X	X	X
8.3 Expand science education programming statewide.	Education	X	X	X	X	X
8.4 Expand National History Day in Arizona program.	Education	X	X	X	X	X
8.5 Coordinate to provide meaningful, effective opportunities for lifelong learning.	Education	X	X	X	X	X
8.6 Strengthen web and other media delivery of content for an education audience.	Education	X	X	X		
9.1 Expand the audience for AHS publications through electronic publication and distribution.	Publication	X	X	X	X	X
9.2 Assist customers in surveying, preserving, developing, interpreting, and utilizing heritage resources to facilitate economic development, community improvement, energy and other projects, heritage tourism, and quality of life.	Collections	X	X	X	X	X
9.3 Strengthen partnerships to more efficiently provide outreach to the general public.	Education	X	X	X	X	X
9.4 Create an organization that innovates naturally and frequently, adapts to the need for change, and is responsive to the community it serves.	Administration	X	X	X	X	X
9.5 Increase public awareness and support for historical records preservation and access.	Collections	X	X	X	X	X
9.6 Promote AHS as a leader in the community for historical events of significant, statewide importance, teaching the lessons and legacies from these events.	Collections	X	X	X	X	X
9.7 Communicate effectively with our audiences both in person and virtually to provide educational, relevant, and engaging experiences in a variety of formats (lectures, family programs, special events, virtual and long- and short-term exhibitions, shopping opportunities, off-site statewide outreach, and dedicated staff and volunteers assisting researchers).	Education	X	X	X	X	X
9.8 Raise AHS profile in the community.	Administration	X	X	X	X	X

RESOURCE ASSUMPTIONS

ARIZONA HISTORICAL SOCIETY						
Resource Assumptions (agency level)						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions	60	60	60	60	60	60
Full-time-equivalent (FTE) Positions - Actual	48	48	48	50	52	54
General Fund	3,042,100	3,042,100	3,042,100	3,142,000	3,242,000	3,342,000
Other Appropriated Funds	300,000	250,000	250,000	150,000	150,000	150,000
Non-Appropriated Funds	948,200	937,500	910,100	1,000,000	1,050,000	1,100,000
Federal Funds	0	0	50,000	100,000	100,000	100,000
<b>Total Agency Funds</b>	<b>4,290,300</b>	<b>4,229,600</b>	<b>4,252,200</b>	<b>4,392,000</b>	<b>4,542,000</b>	<b>4,692,000</b>

## Agency Summary

### ARIZONA HISTORICAL SOCIETY

Anne I. Woosely, Ph. D., Executive Director  
 Phone: (520) 628-5774  
 A.R.S. § 41-821(A)

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	4,228.8	3,042.1	3,042.1	3,042.1
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	985.1	948.2	937.5	910.1
<b>Total Funding</b>	<b>5,213.9</b>	<b>3,990.3</b>	<b>3,979.6</b>	<b>3,952.2</b>
<b>FTE Positions</b>	<b>46.6</b>	<b>60.0</b>	<b>61.0</b>	<b>60.0</b>

◆ **Goal 1** To collect and preserve the physical materials pertaining to the history of Arizona from A.D. 1540 to the present.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total number of linear feet of archives processed sufficiently to provide public access in the fiscal year	19436	19,636	25797	28000	29500	31000
Percent of three dimensional collections available to the public	97	97	85	90	90	90

◆ **Goal 2** To interpret and disseminate the history of Arizona for a broad general audience.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of public programs	310	325	1079	1000	1000	1000
Public program attendance	167,500	137,500	270,612	100,000	100,000	100,000
Number of public inquiries	3,200,000	3,600,000	11,942,843	15,100,000	17,500,000	20,000,000
On-site public attendance at local certified historical societies and museums.	550,000	550,000	550,000	550,000	550,000	550,000
Number of museum visitors and researchers	108,400	85,000	86,030	65,000	70,000	85,000
Number of volunteer hours	45,000	47,500	28549	30,000	35,000	40,000
Administration as a percent of total cost	8.0	7.7	10.5	10	10	10



# Prescott Historical Society

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

The Prescott Historical Society in partnership with the non-profit Sharlot Hall Historical Society must focus on preservation of its extensive buildings, grounds, and collections and continuing to serve as a significant economic generator to the region and a vital educational quality of life resource to the citizens of Arizona . To this end emphasis during FY2014-2019 should focus on:

- A) Major gifts (capital campaign) for the admissions building; completion of the Trades Bldg; ongoing permanent exhibit gallery expansion; physical plant needs including deferred maintenance and replacement
- B) Individual and corporate members
- C) Endowment and planned giving
- D) Annual giving and increasing donor base
  - Fundraising activities such as the annual Evening at Sharlot's Place need to be reviewed and tailored to maximize returns as should the three major annual festivals. A series of diverse fundraising events should be considered to allow broad support from many demographic areas.
  - All programs should be reviewed for a balance of relation to mission, quality, and cost effectiveness.
  - A new admission and events fee schedule and membership dues should be considered and implemented NLT early FY2014.
  - Capturing audience data should be enhanced for us in grant applications and like sources of revenue.
  - Maximum advertisement of expanded and improved exhibits should be sought to increase audience share particularly in partnership with local and regional tourism entities.
  - Future services should emphasize exhibits with complementary programming that enhance the core visitor experience.
  - Sale of real estate from the nonprofit SHHS real estate (i.e., .Granite Creek Center) to the State of Arizona should be explored and payments generated should be considered by the board as investment funds.

## Agency Summary

### PRESCOTT HISTORICAL SOCIETY

John Langellier, Director  
 Phone: (928) 445-3122  
 A.R.S. § 41- 831

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	671.5	654.2	744.2	748.7
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>671.5</b>	<b>654.2</b>	<b>744.2</b>	<b>748.7</b>
<b>FTE Positions</b>	<b>10.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>

◆ **Goal 1** To increase museum visitation annually.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of people served (includes museum, festival, and theatre attendees; and researchers)	0	0	30,000	32,000	35,000	38,000
Percent of museum clients pleased with service	0	0	90	90	90	90
Number of volunteer hours	0	0	1,500	1,600	1,650	1,700
Number of museum researchers	0	0	950	1,100	1,150	1,200

**Explanation:** In FY2008 Library closed for one month to relocate to new facility

Number of web site unique visitors	0	0	3,800	4,000	4,200	4,500
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◆ **Goal 2** To continue phased facility expansion, bringing needed square footage for public and non-public uses to support goal 1 above.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Capital campaign dollars raised to build new square footage (in thousands)	0	0	175,000	200,000	200,000	200,000
Increase in number of dues-paying members	0	0	1,200	1,250	1,275	1,300

◆ **Goal 3** To increase the private, non-state funding support for expansion and operations

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Dollars of supplemental non-state funds per annum in thousands	0	0	675,000	700,000	800,000	850,000

# Department of Homeland Security

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



# **Arizona Department of Homeland Security**

Arizona Integrated Planning System (AZIPS)  
Five-Year Strategic Plan  
2013 - 2018

**SEPTEMBER 2012**

## **MISSION STATEMENT**

**The mission of the Arizona Department of Homeland Security is to protect Arizona by providing strategic direction and access to resources that will enable all of the state's homeland security stakeholders to achieve our collective goals of:**

- **Preventing terrorist attacks in Arizona**
- **Reducing Arizona's vulnerability to all critical hazards**
- **Enhancing the capacity and expertise to plan for, mitigate, respond to and recover from all critical hazards that affect the safety, well-being and economic security of Arizona**
- **Building the resiliency of Arizona**

## **AGENCY DESCRIPTION**

**The Arizona Department of Homeland Security provides strategic direction for enhancing regional capability and capacity to prevent terrorist attacks, enhance border security, reduce Arizona's vulnerability to all threats and critical hazards, mitigate and minimize the impact of threats and hazards, and further develop the ability to recover from all critical hazards that affect the safety, well-being and economic security of the citizens of Arizona.**

On a daily basis, the Arizona Department of Homeland Security personnel are communicating with stakeholders in the strategic planning and utilization of homeland security grant funds. Responsibilities of the grant management and administration include grant information seminars; application development, review and process; reimbursement request processing; organize and facilitate meetings for the Regional Advisory Council, Senior Advisory Committee, Operation Stonegarden Oversight Committee, State Citizen Corps Council; complete numerous reporting requirements to include progress updates, budget status reports( federal financial report, semiannual progress report, monthly income forecasts, annual allocation and expenditure report), State Preparedness Reports, Threat Hazard Identification Risk Assessment, monitoring of stakeholders for compliance with grant guidance.

## STRATEGIC ISSUES

### **ISSUE 1 – MAINTAINING THE SAFETY AND SECURITY OF ARIZONA’S CITIZENS WITH SIGNIFICANTLY REDUCED FUNDING - POTENTIAL IMPACT TO ARIZONA’S ENHANCEMENT OF BORDER SECURITY AND THE CAPABILITY AND CAPACITY TO PREVENT, PROTECT, MITIGATE, RESPOND TO AND RECOVER FROM TERRORIST ATTACKS AND ALL HAZARDS.**

In 2001, as a result of the terrorist attacks of 9/11, the former Governor’s Office of Homeland Security and the current Arizona Department of Homeland Security have led the homeland security initiatives to ensure the safety and security of Arizona’s citizens.

There is a considerable challenge to maintain and sustain the capabilities and capacity levels achieved over the past several years with continued reductions in federal funding. One of the major elements that is key to the capability and capacity to prevent, protect, mitigate, respond to and recover from terrorist attacks and all hazards is the collaborative partnerships that have been developed and fostered through the homeland security program.

Based upon the information regarding the future of homeland security grant funds disseminated from the FEMA Administrator at a recent National Homeland Security Symposium, it is anticipated that the U. S. Department of Homeland Security grant funds will continue to diminish at a significant rate. Yet, there will be an ongoing requirement and expectation that Arizona will continue to assure border security operations are enhanced and sustained; and that the capabilities and capacity (built with Homeland Security funds) to address the ever-present and ongoing threats of terrorism, illegal border crossings, human and drug trafficking along the Arizona/Mexico border, and information-sharing among law enforcement entities (local, state, Tribal, federal) to prevent adversarial attacks are sustained.

To provide safety and security to Arizona’s citizens; the capability and capacity to conduct border security operations, maintain emergency response plans, operable and interoperable communications, and equipment to respond to acts

of terrorism or other critical hazards is a priority for the well-being of all residents. It is also imperative that training and exercise continue to maintain and sustain a capable response force.

To be a recipient of U. S. Department of Homeland Security grants, there are numerous requirements and reports that must be maintained and submitted on a quarterly and annual basis. The State Homeland Security Strategy is just one of those requirements. Additionally, the Director of the AZDOHS serves as the Homeland Security Advisor to the Governor.

The Arizona Department of Homeland Security is responsible for the development and implementation of the State Homeland Security Strategy. This guiding document is developed in coordination with stakeholders for various disciplines such as emergency management, law enforcement and fire as well as the private sector, nonprofit, civic, faith-based and volunteer organizations.

In addition, content in the document is derived from a Capabilities Assessment. The Capabilities Assessment is a comprehensive analysis and assessment of the capabilities of each county and as a region. (Arizona is divided into five Homeland Security Regions – Central, North, South, East, and West.) It also identifies strengths and vulnerabilities.

Reduced or dissipated funding has a calamitous impact on Arizona's border security operations by reducing state, local and Tribal high-visibility uniformed patrols along the Arizona/Mexico border and also affects the ability to prevent and protect Arizona's citizens from terrorism and other critical hazards. It is essential to maintain the strategic direction, capabilities and capacity to prevent, protect, mitigate, respond to and recover from an incident for the safety, well-being and economic security of Arizona.



**ISSUE 2 – SUSTAINING THE VIABILITY OF THE ARIZONA DEPARTMENT OF HOMELAND SECURITY WITH DRASTICALLY REDUCED FUNDING - IMPACT TO THE ARIZONA DEPARTMENT OF HOMELAND SECURITY TO EFFECTIVELY PROVIDE HOMELAND SECURITY STRATEGIC DIRECTION, ENHANCE COLLABORATIVE EFFORTS AND ADMINISTER AND MANAGE GRANT FUNDS AWARDED TO THE STATE OF ARIZONA.**

The Arizona Department of Homeland Security is the State Administrative Agency (SAA) responsible for the management and administration of the suite of grant programs available from the U. S. Department of Homeland Security.

As the SAA, there is a myriad of roles, responsibilities and reporting requirements to maintain eligibility to receive and maintain compliance with all of the grant guidance and award conditions.

Since 2007, Arizona has experienced over a 70 percent decrease in Homeland Security grant funds awarded to the State. As mentioned in Issue 1, it is anticipated that the U. S. Department of Homeland Security grant funds will continue to diminish at a significant rate.

Regardless of any reductions or the potential elimination of the grant programs, the SAA must still maintain compliance and meet all reporting requirements well after the end of a grant performance period. To further exacerbate the issue, the 2012 grant performance period has been reduced from 36 to 24 months.

While the Arizona Department of Homeland Security has made every effort to be exemplary stewards of the funds awarded to the State, the department will be severely impacted by a reduction of funds.

A reduction in funds will directly result in a reduction of current AZDOHS staffing levels. A reduction in current staffing levels obviously will affect the Department's ability to sustain the collaborative efforts that have brought together and built working relationships across the various disciplines. The collaborative relationships built have served as a cornerstone involving collective efforts to share information, leverage resources, and increase the level of prevention and response capabilities.

Reduced staffing would impede the ability to efficiently and effectively manage and administer the grant programs as well as meet all of the reporting requirements for the State and the U.S. Department of Homeland Security. Failure to maintain compliance with the reporting requirements could result in Arizona being ineligible to receive homeland security grant funds or a reimbursement being held until such time compliance is achieved.

Reimbursement requests to stakeholders would be significantly delayed thus imposing unintended budgetary consequences on local jurisdictions to be able to accept and utilize any potential grant funds that may have been awarded. Accordingly, stakeholder relationships and collaborative efforts will be affected.

Should federal homeland security grant funding cuts continue at the present rate, the overarching impact to the State of Arizona will be one which will negatively affect border security and counter-terrorism efforts. In addition, emergency management, preparedness and response efforts will also be negatively impacted as grant funding diminishes. If this trend of diminished federal homeland security grant funding were to continue, the sustainment of Arizona's current levels of security, preparedness and emergency response will prove difficult.

## STRATEGIES

### **STRATEGY TO ADDRESS ISSUE 1 – MAINTAINING THE SAFETY AND SECURITY OF ARIZONA’S CITIZENS WITH SIGNIFICANTLY REDUCED FUNDING - POTENTIAL IMPACT TO ARIZONA’S ENHANCEMENT OF BORDER SECURITY AND THE CAPABILITY AND CAPACITY TO PREVENT, PROTECT, MITIGATE, RESPOND TO AND RECOVER FROM TERRORIST ATTACKS AND ALL HAZARDS.**

The Arizona Department of Homeland Security will continue to focus on border security, maintaining and sustaining the capabilities and capacities to prevent, protect, mitigate, respond to and recover from threats or acts of terrorism and all critical hazards with the grant funds awarded to Arizona through the FFY 2012 funding cycle.

To address this issue, AZDOHS will focus on the furtherance of enhancing regional partnerships and collaborative information-sharing activities. These efforts will aid in minimizing any potential impact should leadership efforts be transitioned to another agency or assumed by the participating entities.

A general fund budget request will be submitted for FY 2014 and subsequent fiscal years to support the ongoing efforts to maintain and sustain the efforts previously described.

It is the goal of AZDOHS to manage and administer the available funds while maintaining compliance with the U.S. Department of Homeland Security National Preparedness Goal and the National Preparedness System to sustain capabilities that can be regional and federally deployed. Although deployment is coordinated through the mutual aid compacts at the local, state and regional level, the State Administrative Agency is the designated entity eligible to apply for and receive homeland security grant funds.

As federal funds diminish, state agencies and local jurisdictions will be encouraged to seek maintenance and sustainment support through their local governing body.

Annual reviews and assessments will be conducted to determine viability of staff levels to maintain ongoing department responsibility requirements with subsequent recommendations provided to the Director.

As federal grant funds diminish and limited resources are available to the Department, the Department will develop a strategic initiative to consider options to transfer or consolidate Department responsibilities to another State agency or office as well as determine the appropriate legislative action to address the applicable statutes.

**STRATEGY TO ADDRESS ISSUE 2 – SUSTAINING THE VIABILITY OF THE ARIZONA DEPARTMENT OF HOMELAND SECURITY WITH DRASTICALLY REDUCED FUNDING - IMPACT TO THE ARIZONA DEPARTMENT OF HOMELAND SECURITY TO EFFECTIVELY PROVIDE HOMELAND SECURITY STRATEGIC DIRECTION, ENHANCE COLLABORATIVE EFFORTS AND ADMINISTER AND MANAGE GRANT FUNDS AWARDED TO THE STATE OF ARIZONA.**

To address reduction of funding to maintain and sustain the Arizona Department of Homeland Security, the Department has and will continue to analyze and assess the internal budget.

A general fund budget request will be submitted for FY 2014 and subsequent fiscal years to support the ongoing efforts to maintain and sustain the current level of staffing.

Annual reviews and assessments will be conducted to determine viability of staff levels to maintain ongoing department responsibility requirements. As reduction in funds is experienced, reduction in force recommendations will be made to the Director accordingly.

With limited resource options, it will be extremely difficult to sustain the standards of excellence this Department has attained to be good stewards of the homeland security funds awarded to Arizona.

## RESOURCE ASSUMPTIONS

ARIZONA DEPARTMENT OF HOMELAND SECURITY RESOURCE ASSUMPTIONS 2013-2018						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request	FY2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time equivalent (FTE) Positions	17	17	17	17	17	17
General Fund			1.9	1.8	1.8	2.0
Other Appropriated Funds						
Non-Appropriated Funds						
Federal Funds	43.7	23.5	9.6	16.8	15	15
<b>Total Agency Funds</b>	<b>\$43.7</b>	<b>\$23.5</b>	<b>\$11.5</b>	<b>\$18.6</b>	<b>\$16.8</b>	<b>\$17.0</b>

Amounts are in Millions

Federal Fund amounts represents AZDOHS anticipated expenditures passed-thru to other State Agencies, all fifteen counties, thirty cities towns and Indian Tribal governments through State fiscal year 2018. These figures represent funds currently available and anticipated future funding.

AZDOHS is experiencing a severe reduction in Federal funding which does not only affect pass-thru funds to those agencies, but also has a negative impact on the AZDOHS operating budget as well. AZDOHS is requesting a State general fund

appropriation of \$2 million in State fiscal year 2015 and expects to continue to request State general funds up to and including State fiscal year 2018 for operating expenditures.

Federal fiscal year 2013 funds have not yet been made available; however, AZDOHS anticipates that 2013 funding will remain in-line with 2012 funding. Unfortunately Federal fiscal year 2012 funds experienced a 49% decrease from Federal fiscal year 2011 amounts and a 67% decrease from 2010 funding levels. Current economic conditions show that funding will continue to decline and that AZDOHS and the State will experience a continued decrease in funding.

## Agency Summary

### DEPARTMENT OF HOMELAND SECURITY

Gilbert M Orrantia, Director  
 Phone: (602) 542-7013  
 A.R.S. § 41-4252

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	30.0	1,880.7
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	46,011.3	43,729.2	23,464.0	9,606.0
<b>Total Funding</b>	<b>46,011.3</b>	<b>43,729.2</b>	<b>23,494.0</b>	<b>11,486.7</b>
<b>FTE Positions</b>	<b>16.0</b>	<b>17.0</b>	<b>17.0</b>	<b>17.0</b>

◆ **Goal 1** To improve regional collaboration on homeland security issues within Arizona.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Conduct at least four Regional Advisory Council meetings within each region each fiscal year	20	20	20	20	20	20

**Explanation:** 4 Regional Advisory Council Meetings in each of 5 Regions

◆ **Goal 2** To provide strategic direction for enhancing regional preparedness.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Obligate funds from federal grants within 45 days of receipt of grant award	100	100	100	100	100	100

**Explanation:** Result expressed as percentage.

Review and update the State Homeland Security Strategy annually	Y	Y	Y	Y	Y	Y
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**Explanation:** Result expressed as yes (Y) or no (N).

◆ **Goal 3** To effectively manage Federal homeland security funds.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Comply with all federal mandates for the efficient allocation of federal dollars in advance of suspense dates	100	100	100	100	100	100

**Explanation:** Results expressed as a percentage.

Conduct 24 sub-grantee site visits per year	53	24	28	24	24	24
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**Explanation:** Sub-grantee site visits review equipment, reimbursements, & compliance

Total amount of unexpended grant funds reverted to the Federal Government	305,021	0	380,132	0	0	0
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**Explanation:** Results expressed in whole dollars.

# Board of Homeopathic and Integrated Medicine Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



**ARIZONA STATE BOARD OF HOMEOPATHIC  
AND INTEGRATED MEDICINE EXAMINERS**

**STRATEGIC PLAN**

**FISCAL YEARS 2013 – 2018**

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## EXECUTIVE SUMMARY

The Arizona Board of Homeopathic and Integrated Medicine Examiners licenses M.D.'s and D.O.'s that have obtained additional post graduate education in therapeutic modalities of practice recognized and defined by Arizona law (*A.R.S. 32-2901 (22)*). In addition to the more commonly recognized therapies that include minor surgery and pharmaceutical medicine; a homeopathic physician may also treat their patients using complementary and alternative medicine to include acupuncture, chelation therapy, homeopathy, neuromuscular integration, nutrition, and orthomolecular therapy. Homeopathic physicians may also prescribe and dispense drugs and devices, including controlled substances.

In 2011, legislation was signed that approved the regulation of Homeopathic Doctors. The Board has initiated rulemaking that describes educational requirements, continuing education and an examination process for these new licensees. Licensure of Homeopathic Doctors will begin in January, 2015.

Patients that choose alternative medicine to address their health issues enjoy peace of mind knowing that they have access to medical providers that are regulated in a manner that ensures practitioners meet educational standards defined by law and that they may file a complaint with the Board when the homeopathic physician fails to act in a professional manner.

Arizona remains a leader in its recognition of complementary and alternative medicine. Laws creating a regulatory structure that enforce standards for homeopathic physicians and doctors relay a message to citizens that healthcare beyond the standard model takes place in a manner that promotes the public health and safety.

## **MISSION**

**To protect the public health, safety, and welfare by regulating the practice of homeopathic and integrated medicine.**

## **AGENCY DESCRIPTION**

The Board of Homeopathic and Integrated Medicine Examiners regulates the practice of homeopathic medicine in Arizona. Homeopathy is a form of alternative medicine in which the fundamental premise for treatment is the belief that diseases are cured by medicines, given in tiny doses, that create symptoms similar to those the patient is experiencing, triggering the body's natural immune reactions.

The Board reviews and examines the education, experience, and background of applicants to determine if they possess the qualifications required by law to practice homeopathic medicine and any of the subspecialties within the scope of practice. Licensees renew their licenses and dispensing permits annually and provide updated information about the nature of their practices. Upon receipt of complaints against licensed homeopathic physicians, the Board conducts investigations and holds hearings, taking disciplinary action as necessary to protect the public safety. The Board also registers homeopathic medical assistants that work under the supervision of licensed homeopathic physicians within Arizona.

Homeopathic medical assistants renew their registrations annually every December. Physician licenses are renewed every year on the initial month of licensure.

In 2011 the legislature expanded the Board's scope of regulation to include homeopathic doctors who will practice classical homeopathy and nutrition. They will be able to dispense homeopathic medications and nonprescription drugs. The first homeopathic doctors will be licensed in January, 2015.

## **STRATEGIC ISSUES**

### **Strategic Issue 1.**

#### **Implement Processes Necessary to License Prospective Homeopathic Doctors**

Licensure of Homeopathic Doctors begins January, 2015. The Board is engaged in rulemaking that includes a crucial component setting forth educational standards for prospective applicants. In addition, an examination must be proscribed that will test the didactic knowledge of applicants for the license. The Board will coordinate educational and testing standards with the Accreditation Commission for Homeopathic Education in North America (ACHENA).

#### **Goal**

To ensure consistent educational standards for homeopathic doctors that will promote the public health and safety.

#### **Strategy/Performance Measures**

- By September, 2013 coordinate with ACHENA and approved homeopathic schools to ensure consistent training standards.
- By September, 2013 explore and determine the most effective strategy to test prospective licensees on the areas of knowledge that a homeopathic doctor must demonstrate for licensure.
- By June, 2014 complete rulemaking for homeopathic doctor licensing

#### **Resources**

There are available staff and/or volunteer resources to accomplish the strategic research necessary to promote interaction with ACHENA. The Board is exploring the possibility of requiring the use of an existing nationally recognized examination which will negate the expenditure of funds that would be necessary for the Board to create its own comprehensive examination.

### **Strategic Issue 2.**

#### **Seek Legislative Approval to Revise Fees To Support Board Operations**

Fees are capped by statute and have remained unchanged since 1995. They are inadequate to fund Board operations. The two primary revenue producing fees have reached their statutory cap and will require legislative action to either increase the cap or devise a mechanism by which the Board can set forth the fee structure, but rely on rulemaking to set the actual amount of the fee. Furthermore, other fees should be added to address the administrative cost of enforcing the requirement.

Goal

To revise A.R.S. § 32-2914 that sets forth the fees that create revenues sufficient to support board operations.

Strategy/Performance Measures

- By April, 2013 obtain legislative approval to amend fees.
- By January, 2014 revise rules in the *Administrative Code* to include new fees related to continuing education review, re-examination costs, and the issuance of a new license.

Resources

The Board is taking a two-pronged approach to address this issue. Staff hours will be reduced to allow cash reserves to increase. The implementation of a new fee schedule would allow the Board to staff the office at a level sufficient to prepare for the implementation of the licensure program for homeopathic doctors in January, 2015. The Board recognizes that the reduced staff hours during rulemaking and other administrative processes necessary to prepare for the new licensure class will be challenging. However, other options are limited until cash revenues are built up to a level sufficient to adequately fund Board operations.

**RESOURCE ASSUMPTIONS**

**Funding and FTE Summary**

Description	FY2013 Approved	FY2014 Estimate	FY2015 Estimate	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
FTE Positions	1	1	1	1	1	1
Other Appropriated Fund	107.6	107.6	107.6	107.6	107.6	107.6

## Agency Summary

### BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS

Christine Springer, Executive Director  
 Phone: (602) 542-3095  
 A.R.S. 32-2901

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	107.0	107.6	107.6	107.6
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>107.0</b>	<b>107.6</b>	<b>107.6</b>	<b>107.6</b>
<b>FTE Positions</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

◆ **Goal 1** To issue, renew, or deny applications and renewals for licenses, permits, and registrations in a timely manner.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Applications received (includes physicians, assistants, dispensing permits and chelation protocol reviews filed with an initial application)	18	21	24	20	20	24
<b>Explanation:</b> FY 2012 : 17 medical assistants, 3 dispensing permit, 4 new physicians						
New licenses issued (physicians and medical assistants)	8	21	17	20	20	24
<b>Explanation:</b> FY 2012 : 17 medical assistants, 4 physicians, 3 dispensing permits						
Licenses eligible for renewal (physicians, dispensing permits, chelation permits, and medical assistants)	193	191	201	211	211	215
<b>Explanation:</b> FY12 Dispensing=40; Physicians=87; Assistants=42; Chelation=32						
Number of licenses renewed	170	191	177	176	182	186
<b>Explanation:</b> FY 2012: Total includes 83 physicians,37 dispensing permits, 25 assistants, and 32 chelation permits renewed.						
Average number of days from receipt of completed application to issuance or denial of certification	18	24	63	47	40	40
<b>Explanation:</b> average of 21 applications divided into a total of 1323 calendar days						

◆ **Goal 2** To receive, investigate, and adjudicate complaints consistent with the performance objectives of the board.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of complaints resolved within 180 days.	83	90	64	75	90	90
<b>Explanation:</b> Measure is a percentage of the total complaints in the fiscal year divided into the number of complaints closed within 180 days or less (7 closed out of 11 total complaints)						
Number of complaints or inquiries received	7	11	6	8	10	10
Complaints resolved by taking disciplinary action against licensee (includes Suspension and Consent agreements)	0	3	4	3	4	4
Suspension	0	2	1	1	2	2

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average number of days per investigation from start to final adjudication	92	96	119	100	95	95

**Explanation:** Based on the total number of calendar days (1310) accrued in adjudicating the closed complaints divided by total number of closed complaints (11)

Percent of licensees with disciplinary action	1 Percent	1 Percent	4 Percent	2 Percent	2 Percent	1 Percent
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**Explanation:** 85 licenses and of that total 2 on probation, 1 suspended; statistic reflects current fiscal year actions

Total number of investigations conducted	11	15	13	12	12	13
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**Explanation:** Note: statistic reflects both ongoing and closed cases

- ◆ **Goal 3** To collect, update, and deliver information in a timely manner concerning licensees' location, practice modalities, and status for the public record.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of information inquiries responded to within 24 hours	93	96	94	90	93	94

**Explanation:** Includes email, packet requests, phone messages



# Arizona Department of Housing

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# Arizona Department of Housing Five-Year Strategic Plan

## Agency Mission

Providing housing and community revitalization to benefit the people of Arizona.

## Agency Description

The Arizona Department of Housing (“the Department”) provides housing and community revitalization to benefit the people of Arizona by addressing unique and changing housing needs in this state. When adequately housed, individuals, families, and communities flourish; without adequate housing, every aspect of life suffers as a result, including health, education, and the entire welfare of the community. Many of society’s ills begin with and are exacerbated by poor housing choices and deteriorated neighborhoods. As Arizona continues to grow and the economic and housing needs of its population evolve, the Department is in a position to recognize changing market conditions and to respond throughout the state. Creative solutions are developed to be responsive to both rural and urban housing issues, and much of the Department’s focus is on assisting Arizona’s most vulnerable populations, who through no fault of their own, are challenged with finding decent, suitable housing. The Department is working toward sustaining current initiatives and simultaneously maintaining the flexibility to respond to new demands for affordable housing. The Department primarily administers federal funding to promote housing and community development activities as well as provides expertise and technical assistance to address these issues. Primarily, the Department works as a funding and financing pass-through agency, with community partners providing the bulk of the hands-on assistance in actually delivering the programs and resources entrusted to the agency. ADOH’s partners include local governments, including counties, cities, and towns, tribal governments, public housing authorities, non-profit social service agencies, and for-profit and non-profit housing developers.

With a Federal budget of approximately \$100 million annually, as well as hundreds of millions of dollars worth of Federal tax credits and bonding authority in its tool belt, the Department and its rural bonding partner, the Arizona Housing Finance Authority (“AzHFA”), are available to assist with many of the most pressing housing and community development needs in the state. The agency receives no State General Fund Support for its operations and only a small amount of State Housing Trust Funds (\$2.5 million annually) helps provide its required Federal match.

In 2010, the agency added a third entity to its partnership – when the Arizona Home Foreclosure Prevention Funding Corporation (“AHFPFC”), a non-profit corporation, was established to meet the requirements for accepting the U.S. Department of the Treasury’s mortgage foreclosure assistance award of \$267 million, which is available to the state through 2017. While the day-to-day administration of the non-profit’s mortgage foreclosure program is handled by the Department, its resources are not a part of the state’s budget per requirements of the U.S. Department of the Treasury.

## Strategic Issues & Strategies

The following are key challenges and opportunities facing the agency:

**Issue – Creating better living environments for Arizona’s citizens and communities.** After experiencing both state and federal budget cuts to its core programs, the Department is streamlining and targeting its resources in order to continue to meet its goals of increasing the availability and sustainability of safe, decent, affordable housing in Arizona under increasingly difficult circumstances. While the Department has always taken a conservative approach to the utilization of its resources, it has had to increase its efforts to target its resources in order to demonstrate the greatest impact in Arizona with fewer resources. With an end goal of aiding in the creation of conditions that create and promote more productive living amongst all Arizonans, the Department is narrowing its focus and targeting like never before, projects that can provide a stronger foundation to assist households and neighborhoods to improve their productivity as citizens through improved living conditions.

Activities that are financed through Department resources that create better living environments include: the development of affordable rental housing units through new construction or acquisition and rehabilitation; rehabilitation of dilapidated owner-occupied housing stock with a priority for seniors; monthly rental subsidy assistance for Arizona’s lowest income households who otherwise would be homeless; development and support of transitional housing opportunities for Arizona’s most vulnerable special needs populations, including those transitioning out of homelessness, victims of domestic violence, recovering substance abusers, and others; improved infrastructure and community facilities in Arizona’s 13 rural counties; and other community development and revitalization activities.

**Strategies.** The Department’s strategies to create better living environments includes: (1) targeting resources that promote development of affordable housing opportunities along the light rail and other public transportation hubs to increase transportation to jobs for low-income households; (2) tying financial assistance through the Department to projects that will create the highest economic impact in the shortest term; (3) requiring the incorporation of energy efficiency and green building practices for long-term energy savings and sustainability for Department-financed projects; and (4) continuing to limit Department investments to only those projects that require a public subsidy to achieve viability.

**Issue – Reducing the occurrence of mortgage foreclosures to aid in Arizona’s economic recovery.** Throughout the past few years of economic crisis, Arizona has remained one of the states at the top of the list in experiencing foreclosure problems. With some homes in the state experiencing as much as 58 percent depreciation since the height of the market, and more than half a million Arizonan homeowners living with underwater mortgages, even as the housing crisis improves, the problem of foreclosures is expected to continue to remain an issue as we move into 2013 and beyond. Because Arizona’s economy is heavily influenced by the housing industry and because so many homeowners are hesitant to spend money given their negative equity mortgages, the state’s economic recovery is heavily tied to the stabilization and recovery of the housing market.

Prior to 2008, the Department had provided little in the way of mortgage foreclosure assistance. However, starting in 2008, the Federal government has provided some significant resources to help address related problems, with several of those programs winding down in 2012 and 2013. Those programs which have been fully expended or are nearly so, include programs that assisted with moving foreclosed homes off the market by providing incentives for first-time homebuyers to purchase empty homes. Under this program the Department used more than \$30 million to assist over 900 first-time homebuyers to purchase vacant, foreclosed homes, thereby reducing the inventory glut throughout the state. The Department is also just now winding down a \$7 million program that provided short-term foreclosure and eviction assistance to thousands of Arizonans experiencing trouble paying mortgages and rents during tough economic times. The Department has also received continued Federal funding to support a toll-free hotline that directly links troubled homeowners to mortgage foreclosure counseling, although future funding for this service is not guaranteed past June 2013.

The primary source of mortgage foreclosure assistance that the Department has received to date comes from a grant of \$267 million made available through the U.S. Department of the Treasury. While the day-to-day operation of the program has been entrusted to ADOH, under federal regulations, the funding is required to funnel through a non-public entity. Thus the Department and the AzHFA, partnered through an Intergovernmental Agency Agreement to establish the Arizona Home Foreclosure Prevention Funding Corporation (AHFPFC), which is a non-profit corporation that was established for the sole purpose of receiving these federal grant monies.

The AHFPFC established a program which it contracted with the Department to administer under which it distributes these resources, called the Save Our Home AZ Program. The Department's challenge is to utilize this resource in a manner that will make a significant difference in quelling foreclosures sooner rather than later, even though the program is authorized through December 31, 2017. It is important to note that even though program funds are not a part of the state's budget, we include this issue here because it is one of the most significant undertakings of the Department.

**Strategies.** The Department's strategies to address the utilization of this significant resource over the short term has been to: (1) increase marketing efforts to create better awareness of the assistance through paid advertising which is an eligible use of administrative funds available through the program; (2) continue to work with the servicing and lending community to identify new and improved opportunities to help adjust mortgage payments and reduce outstanding, underwater principal; and (3) continue to work with Treasury and the Arizona Governor's Office to address policies that hamper utilization of the resource.

**Issue – Retooling programs to keep assistance flowing under current market conditions.** Due to market conditions, the issuance of mortgage revenue bonds to finance and promote first-time homebuyer opportunities in rural Arizona is currently infeasible. However, the market for first-time homebuyer programs which offer downpayment and closing cost assistance to make homeownership attainable to

Arizona's young, rural families is still very much in demand and continuing to create homeownership opportunities for responsible homeowners is something that the AzHFA was specifically created to address.

**Strategies.** The Department and the AzHFA are currently exploring a privately financed pipeline of loan products which would allow the utilization of these resources to include downpayment and closing cost assistance under some of the same affordable terms as a mortgage revenue bond-financed product. This will allow the AzHFA to continue to promote homeownership in Arizona's 13 rural counties during a time when traditional bonding products are not available. AzHFA expects that it will be able to continue to offer up to \$20 million in loans and \$1 million in down payment and closing cost assistance through a TBA (To Be Announced) program for the next several years or until the bond market is once again a viable option to consider.

**Issue – Addressing the challenge associated with a lack of resources to address some of Arizona's most critical housing problems.** Prior to the economic and ensuring state budget crises, the Department was the beneficiary of excess funding from the State's Unclaimed Property Fund, through a legislated formula of 55 percent of the fund, which was annually deposited into the State Housing Trust Fund. This resource amounted to approximately \$30 million a year that the state was dedicating to helping address affordable housing needs throughout the state. This was an important resource, in that it allowed the Department to address housing problems that no federal funding resource addresses. These types of activities included the development and support of homeless shelters, tribal housing issues, disaster-related housing assistance, emergency repairs for low-income homeowners such as roof and heat and air conditioning repairs, emergency eviction prevention programs, and other desirable activities for which no other resources exist.

**Strategies.** As the state economy recovers and the state budget improves, with the Rainy Day Fund fully funded, the Department would like to explore the possibility of the restoration of some of the resources lost to the Department during this past economic downturn. Arizona's most vulnerable citizens, who have no other place else to turn to meet their emergency housing needs, have relied on the programs of the Housing Trust Fund over the past two decades. The Department's budget assumptions (below) do not currently contemplate additional resources for the Housing Trust Fund, but it is certainly a consideration that the Department will want to explore when the time is appropriate.

**Resource Assumptions**  
Resources included in the State Budget

	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
Full-time-equivalent (FTE) Positions	59	59	59	59	45	45
General Fund	0	0	0	0	0	0
Other Appropriated Funds (HTF)	\$304,600	\$304,600	\$304,600	\$313,738	\$313,738	\$313,738
Non-Appropriated Funds	\$15,156,800	\$16,464,100	\$7,025,100	\$7,235,853	\$6,352,929	\$6,543,517
Federal Funds	\$89,623,000	\$79,042,100	\$80,658,300	\$83,078,049	\$85,570,390	\$88,137,502
<b>Total Agency Funds</b>	<b>\$105,084,400</b>	<b>\$95,810,800</b>	<b>\$87,988,000</b>	<b>\$90,627,640</b>	<b>\$92,237,057</b>	<b>\$94,994,757</b>

**Other Resource Assumptions**  
Resources not included in the State Budget  
(Federal Tax Credits, Hardest Hit Funds, Bond Financing and Other)

	FY2013	FY2014 Budget Request	FY2015 Budget Request	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
Full-time-equivalent (FTE) Positions	0	0	0	0	0	0
Federal Tax Credits	\$90,101,260	\$153,570,987	\$159,360,613	\$165,368,508	\$171,602,901	\$178,072,330
Hardest Hit Funds	\$58,049,020	\$61,023,070	\$61,981,403	\$61,981,403	0	0
Bond Financing	0	0	0	\$25,000,000	\$25,000,000	\$25,000,000
Other (TBA)	\$21,514,926	\$21,514,926	\$21,514,926	0	0	0
<b>Total Other Resources</b>	<b>\$169,665,206</b>	<b>\$236,108,983</b>	<b>\$242,856,942</b>	<b>\$252,349,911</b>	<b>\$196,602,901</b>	<b>\$203,072,330</b>

	FY2013	FY2014 Budget Request	FY2015 Budget Request	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
<b>Total Agency Resources</b>	<b>\$274,749,606</b>	<b>\$331,919,783</b>	<b>\$330,844,942</b>	<b>\$342,977,551</b>	<b>\$288,839,958</b>	<b>\$298,067,087</b>

## Agency Summary

### ARIZONA DEPARTMENT OF HOUSING

Michael Traylor, Director  
 Phone: (602) 771-1000  
 A.R.S. §§ 41-3951 to 41-3953

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ HOUSING DEVELOPMENT AGENCY	104,410.2	104,582.3	95,546.5	87,723.8
➤ HOUSING FINANCE AUTHORITY	369.9	502.1	264.3	264.2
<b>Agency Total:</b>	<b>104,780.1</b>	<b>105,084.4</b>	<b>95,810.8</b>	<b>87,988.0</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	905.8	304.6	304.6	304.6
Other Non Appropriated Funds	103,874.3	104,779.8	95,506.2	87,683.4
<b>Total Funding</b>	<b>104,780.1</b>	<b>105,084.4</b>	<b>95,810.8</b>	<b>87,988.0</b>
<b>FTE Positions</b>	<b>61.0</b>	<b>59.0</b>	<b>59.0</b>	<b>59.0</b>

**Program Summary**

HOUSING DEVELOPMENT AGENCY

Carol L. Ditmore, Assistant Deputy Director of Operations

Phone: (602) 771-1062

A.R.S. §§ 41-1505; 41-1512; 41-1518

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	905.8	304.6	304.6	304.6
Other Non Appropriated Funds	103,504.4	104,277.7	95,241.9	87,419.2
<b>Total Funding</b>	<b>104,410.2</b>	<b>104,582.3</b>	<b>95,546.5</b>	<b>87,723.8</b>
<b>FTE Positions</b>	<b>59.5</b>	<b>57.5</b>	<b>57.5</b>	<b>57.5</b>

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total number of households assisted with eviction or foreclosure in order to prevent homelessness	2,952	7,605	4,765	4,774	1,774	1,765
<b>Explanation:</b> Number of households assisted with eviction or foreclosure assistance.						
Total funds committed to homeownership programs	13,234.1	6,000.0	6,473.8	6,000.0	4,000.0	4,000.0
<b>Explanation:</b> Includes construction and acquisitions, rehabilitation of new and existing units, and first-time buyers.						
Total number of households assisted with homeownership assistance	457	223	370	343	229	229
<b>Explanation:</b> Includes households assisted through down payment and closing cost assistance, acquisition and rehabilitation of units for new homebuyers, construction of new units or rehabilitation of currently occupied units.						
Total funds committed to affordable rental units.	174,761.8	234,578.8	282,545.7	154,335.9	209,522.7	216,888.9
<b>Explanation:</b> Total funds expected to be committed to development of affordable rental units. Includes the 10 year value of federal tax credits.						
Total number of affordable rental units assisted/produced	12,317	9,095	12,438	6,173	8,381	8,676
<b>Explanation:</b> Total number of affordable rental units expected to be assisted or produced.						
Total number of individuals assisted with information on available affordable rental units through the agency's website	194,545	200,381	213,099	219,492	226,076	232,859
<b>Explanation:</b> The Department sponsors a web-based search engine through socialserve.com which provides information on affordable rental units.						
Total number of publicly funded rental units monitored for health and safety issues	22,361	21,762	3,833	3,101	3,920	3,685
<b>Explanation:</b> The number of Department-assisted rental units that will be monitored. Currently the federal government has placed a moratorium on further monitoring of their portfolio of roughly 18,000 units in Arizona. If the Department resumes monitoring those units in FY2013 and beyond, the numbers of units monitored annually will increase significantly.						



◆ **Goal 2** To recruit, retrain and maintain a qualified, professional work force.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of agency turnover	18	20	23	15	15	15

**Explanation:** The Department's turnover rate was adversely affected in 2012 due to the retirement of 10 percent of the agency's workforce.

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Results of customer satisfaction survey (7=excellent; 4=satisfactory; 1=poor)	5.48	5.58	5.73	5.79	5.85	5.90

**Explanation:** In 2012, the Department received its highest customer satisfaction rate approval since 2005.

<b>Program Summary</b>						
HOUSING FINANCE AUTHORITY						
Carol L. Ditmore, Assistant Deputy Director of Operations						
Phone: (602) 771-1062						
A.R.S. §§ 41-3901 through 41-3912						

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	369.9	502.1	264.3	264.2
<b>Total Funding</b>	<b>369.9</b>	<b>502.1</b>	<b>264.3</b>	<b>264.2</b>
<b>FTE Positions</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Total funds utilized for homeownership program through bond issuances for Mortgage Revenue Bonds (MRB) and/or Mortgage Credit Certificates (MCC).	18,740.3	19,514.4	19,949.1	20,490.4	20,490.6	20,490.6

**Explanation:** Total funds utilized for AzHFA-sponsored homeownership programs.

Total number of low-income households assisted into homeownership through the homeownership program	195	214	184	193	193	193
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**Explanation:** Total number of first-time homebuyers assisted through AzHFA programs.

Total number of rental projects approved	0	0	0	0	0	0
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**Explanation:** No AzHFA issued multi-family bond-financed mortgages are expected until market conditions improve.

Total number of rental units created in approved rental projects	0	0	0	0	0	0
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**Explanation:** No new rental units are expected to be financed with AzHFA bond issuances until market conditions improve.

# Commission of Indian Affairs

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# FY 2013-2017 IAA 5-year Strategic Plan

## Mission Statement

The Commission shall assist and support state and federal agencies in assisting Indians and tribal councils in this state to develop mutual goals, to design projects for achieving goals and to implement their plans.

## Agency Description

The Commission of Indian Affairs facilitates communication to guide the continuing government-to-government relationship between the State of Arizona and Tribal Nations and communities located in Arizona. The Commission is a information clearing house and reference desk to assemble and make available facts needed by tribal, state and federal agencies to work together effectively; promote increased participation by Indians in local and state affairs; ensure meaningful and timely consultation with Tribal Leaders to facilitate better understanding and informed decision making, effectively implement the mandates outlined in EO 2006-14 and; ensure that state services and resources are available to all eligible citizens residing in Arizona tribal communities. The Commission is also required by statute to host an Arizona Indian Town Hall and annual Indian Nations and Tribal Legislative Day. The Commission does not have the authority to operate as a regulatory agency, exercises no "jurisdiction" and serves on behalf of the State as a liaison regarding affairs impacting the American Indian population.

## Strategic Issues

- 1) The Commission is staffed by one-half of a full time employee who is appointed by the Governor to serve as Director. The Director also serves as the Policy Advisor for Indian Affairs. As an appointed member of staff, there is a possibility that staff may change with a new administration in 2014. Plans are being made to ensure continuity in Commission operations. Several appointed members of the Commission have term dates of 2015 and will assist in this transition (if needed).
- 2) With a budget limited at \$53,700, funding does not exist to support additional staff or provide internships. It is necessary for the Commission to perform fund raising activities for the legislative day and Indian Town Hall. With these events and other economic factors, resources are not available to request additional funds to offer internships or supplement the annual budget. Additionally, travel to tribal nations within rural areas is limited.

## Goals

- 1) Fill all vacant seats on the Commission of Indian Affairs. To date, there are 3 tribal appointments to be made. In 2013, 2 At-Large seats and 1 tribal seat will expire.
  - a. Strategy: Contact all tribal economic development offices and municipal inter government offices for (15) nominations
- 2) Establish a relationship with the ASU W.P. Carey School for resources to support Legislative Day, Arizona Indian Town Hall and the Subcommittee on Tribal Economic Resource Forum.
  - a. Strategy: Utilize MBA student organizations to lead marketing effort for legislative day, draft a report on the Tribal Economic Resource Forums for mass distribution, and recruit (10) volunteers to support AZ Indian Town Hall.

RESOURCE ASSUMPTIONS						
	FY12 Appropriation	FY13 Budget Request	FY14 Estimate	FY15 Estimate	FY16 Estimate	FY17 Estimate
Full Time Equivalent (FTE) Positions	3	3	3	3	3	3
General Fund	\$55,500	\$53,700	\$53,700	\$53,700	\$53,700	\$53,700
Other Appropriated Funds	none	none	none	none	none	none
Non-Appropriated Funds	none	none	none	none	none	none
Federal Funds	none	none	none	none	none	none
Total Agency Funds	\$55,500	\$53,700	\$53,700	\$53,700	\$53,700	\$53,700

### Executive Summary

The purpose and role of a state Indian agency is of high importance to both the State and Indian Tribes, especially because of Arizona's significant American Indian population and reservations. Arizona has the third-largest American Indian population nationally, has more reservation land (over 19 million acres) than any other state. In fact, reservations make up more than 25 percent of Arizona's total land mass. Many issues and areas of mutual interest exist between the State and the tribes, which necessitates constant communication. Jurisdictional issues involving taxation, gaming, and water rights, as well as tribal economic development efforts, make such communication of paramount importance.

The appropriation for the Arizona Commission of Indian Affairs is modest considering the wide variety of services and resources provided to both the State of Arizona and the tribes. The FY13 appropriation for the Commission was \$53,700, which is down 42.4% from FY10. The Commission has downsized over the last three years by eliminating 2.5 FTE, relocated to the Executive Tower to occupy one private office and contract for IT, HR and accounting services through the Governor's Office. To ensure the viability of the Commission, the Executive Director position was reduced to half time. These transitions have proven to be successful and efforts are currently in process to utilize management interns to supplement activities. Given the adjustments made to operations, the Commission anticipates resource allocations for basic expenses only and expects to meet performance measures (with exceptions related to fiscal inability to travel). The Commission is likely the most cost efficient state agency.

### Agency Summary

#### COMMISSION OF INDIAN AFFAIRS

Kristine M. FireThunder, Executive Director  
 Phone: (602) 542-4421  
 A.R.S. §§ 41-541 to 41-545

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	55.3	53.7	53.7	53.7
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	12.3	14.5	14.5	14.5
<b>Total Funding</b>	<b>67.6</b>	<b>68.2</b>	<b>68.2</b>	<b>68.2</b>
<b>FTE Positions</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>

◆ **Goal 1** To Facilitate communication between tribal entities (both public and private), elected state officials, and other state agencies

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of meetings facilitated between stakeholders, tribal officials and state officials to communicate and/or collaborate on administrative and legislative issues	24	20	23	20	20	20
Issue an annual report describing Commission activities to state policymakers	1	1	1	1	1	1
<b>Explanation:</b> Required by A.R.S. 41-542 C						
Conduct 10 meetings with the Tribal Liaisons and subcommittees per fiscal year	5	10	7	10	7	7
Number of projects and activities of each Tribal Liaison subcommittee advertised/publicized	7	8	7	8	7	7
Number of legislative bills tracked related to Education, Health, Transportation, Economic Security, Commerce and Tourism	30	20	21	20	21	21

◆ **Goal 2** To establish and maintain relationships between the State of Arizona and the 22 Indian Tribes

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of structured visits with each tribe on their respective tribal communities to obtain tribal input about state activities.	0	6	0	6	0	0
<b>Explanation:</b> Based on invitations received from tribal communities 6 visits will be planned annually						
Plan and implement Indian Nations and Tribes Legislative Day	0	0	1	1	1	1
<b>Explanation:</b> Required by A.R.S. 41-544						
Plan and implement AZ Indian Town Hall	0	0	1	1	1	1
<b>Explanation:</b> Required by A.R.S. 41-541 G, and A.R.S. 41-545						
Electronic annual reports distributed to tribal leaders	1	1	1	1	1	1
<b>Explanation:</b> Distributed per Executive Order 2006-14						

◆ **Goal 3** To act as an informational clearinghouse and reference desk

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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Number of website updates. Update the website at least once a month to ensure relevant data is consistently available.	61	12	54	12	45	45
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**Explanation:** The website enables ACIA to obtain, retain, and share information about: state and federal policies that impact tribes; grants (and other monies available for tribal use) and national Indian issues

Distribute a Newsletter 4 times a year which highlight tribal-state initiatives	4	4	0	4	0	0
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Phone, walk-in, email and standard mail inquiries processed	654	500	593	500	500	500
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◆ **Goal 4** To enhance growth and development among low income and minority populations

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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Number of community organizations and individuals contacted to join the state government workforce by contacting community organizations and individuals to help facilitate the dissemination of information regarding employment opportunities and vacancies on state boards/commissions	38	8	105	8	105	105
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Number of minority/women-owned businesses contacted to provide information regarding state contracting opportunities and referral to the state procurement office and ADOT DBE program	0	0	294	250	250	250
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In partnership with the Commerce Authority, provide 2 annual workshops to supply technical assistance, training and/or education	0	0	0	2	2	2
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Establish 2 partnerships to support Military/Veteran employment for tribal members	0	0	2	2	2	2
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Attend 2 meetings of the Nineteen Tribal Nations Workforce Investment Board	0	0	0	2	2	2
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In partnership with the Department of Education and Inter Tribal Council of Arizona, attend one workshop to assist in evaluating, consolidating and coordinating all activities relating to the education of native American Pupils	0	0	1	1	1	1
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**Explanation:** Required by A.R.S. 15-244

# Industrial Commission of Arizona

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**INDUSTRIAL COMMISSION OF ARIZONA**  
**FY 2014-18 FIVE-YEAR PLAN**

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 to oversee the state workers' compensation system. While the Commission is still responsible for its original charge, its role over the years has expanded to include other labor-related issues, including minimum wage laws; occupational safety and health; youth employment laws; resolution of wage related disputes; licensing of employment counseling and talent agencies; vocational rehabilitation; and providing workers' compensation benefits to claimants of uninsured employers, insolvent carriers, and bankrupt self-insured employers.

STRATEGIC ISSUE 1: PRIVATIZATION OF SCF ARIZONA

In the second regular session of the Forty-ninth Legislature, the Legislature passed SB 1045 which continues the State Compensation Fund (SCF Arizona) through January 1, 2013. On that date, SCF Arizona ceases to exist as a State agency and becomes a mutual insurance company. SCF Arizona is currently a quasi-state agency that provides workers' compensation insurance and other services critical to the Arizona workers' compensation system. The operations of the Industrial Commission (ICA) will be impacted in the following ways by SCF Arizona's privatization:

1. Currently, calculation of taxes owed from a self-insured employer (individual or workers' compensation pool) is based on a hypothetical premium that would have been paid by the self-insured if the self-insured was fully insured by SCF. See A.R.S. § 23-961(J). Effective January 1, 2013, calculation of taxes owed by a self-insured will no longer be based on SCF premium plans and the Commission will be required to calculate a self-insured's taxes based on a premium that would have been paid by the self-insured to an insurance carrier authorized to transact workers' compensation insurance in Arizona. A.R.S. § 23-961(J) as amended 1-1-2013. To calculate self-insured taxes under the new methodology the ICA will require additional in-house expertise and staff. This will require the services of an FTE with prior experience in insurance underwriting.
2. Currently, under A.R.S. § 23-966, SCF Arizona is required to process and pay insolvent carrier/self-insured claims on behalf of and under the direction of the Special Fund. The Special Fund is required to reimburse SCF Arizona on a quarterly basis for benefits paid plus "reasonable administrative costs, necessary expenses and reasonable attorney fees."



A.R.S. § 23-966(C). Effective January 1, 2013, SCF Arizona is no longer required to perform this function on behalf of the Special Fund. As amended, A.R.S. § 23-966 requires that insolvent carrier/self-insured claims be assigned to the Special Fund, which is responsible to ensure that the claims are processed and paid. The Special Fund may process these claims in-house or use third-party processors to assist in the processing and payment of these claims. A.R.S. § 23-966 as amended 1-1-2013. Since 1975, 6,991 claims have been assigned to SCF Arizona under A.R.S. § 23-966. The number of claims varies from year to year depending upon the number of new insolvent carriers/self-insureds and their size. As of June 30, 2012, SCF Arizona was processing 931 insolvent claims: 57 were open for active benefits and 874 were receiving permanent benefits, death benefits, and/or supportive medical benefits. The processing of these claims must continue without interruption of benefits to injured workers. Otherwise, economic hardship will result to injured workers.

3. SCF Arizona has historically been considered Arizona's workers' compensation "insurance carrier of last resort," ensuring that small employers, start-up companies, and employers with employees performing dangerous jobs have an insurance carrier in the traditional market (as opposed to the residual, high risk market) from whom they can obtain workers' compensation insurance. It appears that the privatization of SCF Arizona is resulting in an increase in the number of SCF insureds being declined coverage by SCF Arizona. This is expected to result in an increased number of uninsured employers. Additional uninsured employers will increase both the Special Fund liability for "no insurance" claims and the workload of multiple divisions throughout the ICA.
4. Pursuant to Section 111 of the Medicare, Medicaid, and State Children's Health Insurance Program Extension Act of 2007, the Special Fund must comply with mandatory reporting requirements for certain workers' compensation claims. Through an interagency service agreement with the ICA, SCF Arizona is currently responsible for meeting these reporting requirements with respect to the processing of A.R.S. § 23-966 claims. With the privatization of SCF Arizona, the responsibility for the reporting of these claims will shift to the ICA, which will require additional personnel.
5. The ICA does not have sufficient legal staff to handle the additional litigation and subrogation tasks that will come with assuming direct responsibility for the processing of A.R.S. § 23-966 claims. Outsourcing these responsibilities to private law firms would cost significantly more than adding legal personnel to the ICA's legal department.

## STRATEGIC ISSUE 1: STRATEGY

The ICA intends to process and pay the insolvent carrier/self-insured claims in-house. To do this, the ICA will use existing FTE positions in the Special Fund, but proposes to add five new positions to assist in other necessary and critical aspects of the program (Underwriting Officer, Accountant II, Attorney IV, Legal Secretary II, and Information Technology Specialist III). The in-house processing and payment of A.R.S. § 23-966 claims will eliminate the payment

of the administrative fee charged to the Special Fund by the entity that is processing and paying the claims on behalf of the Special Fund.

## STRATEGIC ISSUE 2: ADOSH DISCRIMINATION COMPLAINT INVESTIGATIONS

Arizona Revised Statute § 23-425(A) states: “No person shall discharge or in any manner discriminate against any employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to this article or has testified or is about to testify in any such proceeding or because of the exercise by such employee on behalf of himself or others of any right afforded by this article.” This statute commonly referred to as the “whistleblower” or “discrimination” statute of the Arizona Occupational Safety and Health Act (Act), provides protection against discrimination to an employee who files a safety and health complaint against their employer, or otherwise engage in activity or rights afforded to the employee under the Act. The statute requires an employee to file a complaint with the Commission (ICA) within 30 days of the alleged violation (e.g., discriminatory act). If, upon investigation, the ICA determines that the provisions of the statute have been violated, then the ICA is required to bring an action in the appropriate superior court against the person who has committed the violation. Finally, the statute instructs the ICA to notify the complainant of its determination within 90 days of receipt of the complaint.

The ICA conducts discrimination investigations through its Division of Occupational Safety and Health (ADOSH). For those cases that are investigated (as opposed to being administratively dismissed for jurisdictional reasons), ADOSH staff will make a recommendation to the ICA’s board regarding the determination required to be made A.R.S. § 23-425. The authority to investigate allegations of workplace discrimination is limited in scope. The ICA only has jurisdiction over those complaints where the employee alleges discrimination for engaging in what is commonly referred to as “protected activity.” Protected activity includes an employee’s workplace safety or health complaint made to either ADOSH, to another agency which regulates aspects of employee safety (i.e., fire department) or to a member of management at the employee’s workplace. Protected activity also includes the activity defined in Arizona Administrative Code R20-5-680.

Discrimination investigations can be very complex and take several weeks, even months, to complete. A typical investigation will include: 1) interviewing the complainant, employer representatives, and witnesses; 2) reviewing and analyzing information provided by both the complainant and the employer; and 3) preparing a detailed investigative report.

The number of discrimination complaints received by ADOSH in any given fiscal year varies, but is trending upward. In FY 1998, ADOSH received 12 discrimination complaints. In FY 2012, ADOSH received 76 discrimination complaints, an increase of 533%.

The ICA’s practice has been to utilize Compliance Safety and Health Officers (CSHOs) to perform the investigations of discrimination complaints. In the early 90’s, when the number

of complaints received was small, the practice of using CSHOs to perform the investigations worked well. As the number of complaints has increased, it has become increasingly difficult to complete investigations and issue determinations within the statutory time frame. Currently, ADOSH has assigned two CSHOs to conduct discrimination investigations on a full-time basis. A third CSHO spends approximately 50% of his time conducting discrimination investigations and three additional CSHOs conduct investigations intermittently. Despite its best efforts, the ICA is unable to complete its investigations and issue timely determinations in approximately 50% of the cases investigated. As noted above, an investigation is not conducted if the complaint is administratively dismissed for jurisdictional reasons.

Failure to render a timely determination creates the following problems in those cases that are investigated: First, the ICA is not fulfilling the statutory mandate of A.R.S. § 23-425. Second, a delayed investigation results in a delayed determination addressing the complainant's concerns. Third, a delayed investigation jeopardizes the ICA's ability to obtain relevant information and meet the one year statute of limitations for the filing of a complaint in Superior Court. Lastly, the ADOSH program is under continued and regular review by the federal OSHA program. As a state plan, which receives substantial funding from federal OSHA, ADOSH is required to be at least as effective as the federal program. ADOSH is not meeting OSHA's requirement that 100% of investigations and determinations be completed within 90 days. This deficiency has been identified by Federal OSHA in recent evaluations of the ADOSH program, and if not addressed, may jeopardize the state plan's authorization and federal funding.

## STRATEGIC ISSUE 2: STRATEGY

To solve this problem and ensure that the ICA is fulfilling its statutory mandate, the ICA proposes the creation of a separate section within ADOSH to assume responsibility for conducting discrimination complaint investigations. To do this, the ICA proposes to add four new positions (three Investigator III positions and one Investigator IV supervisor position) to perform the work. This proposed solution will be funded fifty percent by grant funds provided by federal OSHA and fifty percent from the ICA's Administrative Fund. No General Fund monies are required.

Resource Assumptions (agency level)

	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions	270.0	279.0	279.0	279.0	279.0	279.0
General Fund	0	0	0	0	0	0
Other Appropriated Funds	19,656,400	20,241,600	20,192,700	20,192,700	20,192,700	20,192,700
Non-Appropriated Funds	31,374,000	29,674,000	29,674,000	29,674,000	29,674,000	29,674,000
Federal Funds *	5,897,200	6,079,900	6,039,600	6,039,600	6,039,600	6,039,600
Total Agency Funds	56,927,600	55,995,500	55,906,300	55,906,300	55,906,300	55,906,300

\*Includes appropriated Administrative Fund matching funds

## Agency Summary

### INDUSTRIAL COMMISSION OF ARIZONA

Laura McGrory, Director  
 Phone: (602) 542-4411  
 A.R.S. § 23-108.01

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ ADMINISTRATIVE SERVICES	2,918.8	3,565.9	3,809.7	3,804.5
➤ WORKERS COMPENSATION CLAIMS ASSURANCE	3,238.8	3,677.4	3,677.4	3,677.4
➤ ADJUDICATION OF DISPUTES	4,754.6	5,269.1	5,269.1	5,269.1
➤ LABOR LAW ADMINISTRATION	711.4	898.4	898.4	898.4
➤ OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION	8,590.5	9,875.3	10,240.6	10,160.1
➤ SPECIAL FUND CLAIMS PROCESSING	888.9	854.2	854.2	854.2
➤ LEGAL COUNSEL	1,361.2	1,546.1	1,704.9	1,701.4
<b>Agency Total:</b>	<b>22,464.1</b>	<b>25,686.4</b>	<b>26,454.3</b>	<b>26,365.1</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	17,267.6	19,656.4	20,241.6	20,192.7
Other Non Appropriated Funds	5,196.5	6,030.0	6,212.7	6,172.4
<b>Total Funding</b>	<b>22,464.1</b>	<b>25,686.4</b>	<b>26,454.3</b>	<b>26,365.1</b>
<b>FTE Positions</b>	<b>310.3</b>	<b>270.0</b>	<b>279.0</b>	<b>279.0</b>

**Program Summary**

**ADMINISTRATIVE SERVICES**

Michael Hawthorne, Chief Financial Officer  
 Phone: (602) 542-5380  
 A.R.S. § 23-101, et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	2,918.8	3,423.3	3,667.1	3,661.9
Other Non Appropriated Funds	0.0	142.6	142.6	142.6
<b>Total Funding</b>	<b>2,918.8</b>	<b>3,565.9</b>	<b>3,809.7</b>	<b>3,804.5</b>
<b>FTE Positions</b>	<b>43.0</b>	<b>37.0</b>	<b>40.0</b>	<b>40.0</b>

◆ **Goal 1** To process all personnel actions in an effective manner on a timely basis.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Actions processed	50512	44,506	47,204	50,500	50,500	50,500
Percent of Agency staff turnover	13	10.0	6.5	10.0	10.0	10.0
Administration as a percent of total cost	9.6	9.6	9.7	9.3	9.7	9.7

◆ **Goal 2** To process all accounting transactions correctly on a timely basis.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Invoices processed	47,647	55,000	44,078	45,000	45,000	45,000
Warrants, checks and ACH payments completed	18,349	22,000	15,308	15,500	15,500	15,500
Purchase orders processed	907	1,000	299	390	390	390
Claims Processed	0	0	3,005	3,310	3,641	4,005

◆ **Goal 3** To process all self-insurance new applications and renewal applications efficiently and in a timely manner.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Self-Insurance licenses issued	0	0	90	91	90	90

**Program Summary**

**WORKERS COMPENSATION CLAIMS ASSURANCE**

Melinda Poppe, Manager  
 Phone: (602) 542-4661  
 A.R.S. § 23-901, et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	3,125.3	3,556.6	3,556.6	3,556.6
Other Non Appropriated Funds	113.5	120.8	120.8	120.8
<b>Total Funding</b>	<b>3,238.8</b>	<b>3,677.4</b>	<b>3,677.4</b>	<b>3,677.4</b>
<b>FTE Positions</b>	<b>81.0</b>	<b>65.0</b>	<b>65.0</b>	<b>65.0</b>

◆ **Goal 1** To ensure that permanent disability awards are issued in timely manner.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Awards issued	2,253	2,100	2,160	2,100	2,100	2,100
Percent of awards issued within 75 days	92.2	90.0	86.0	85.0	85.0	85.0

◆ **Goal 2** To complete employees average monthly wage in most effective, efficient manner possible.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of wage determinations issued	13,577	12,000	13,843	13,500	13,500	13,500
Percent determined within 45 days	88.0	90.0	100.0	90.0	90.0	90.0

◆ **Goal 3** To process lump sum settlement requests in the most efficient manner.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Lump sum requests processed	22	35	23	22	22	22
Percent of requests processed within 15 days	82.0	87.0	100.0	87.0	100.0	100.0

◆ **Goal 4** To process initial filing of Workers Compensation Claims on timely basis.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of claims for workers' compensation processed	87,275	87,000	88,154	98,000	98,000	98,000
Percent processed within five days	96.0	97.0	99.0	97.0	99.0	99.0

◆ **Goal 5** To ensure that workers' compensation claims are processed in a timely and efficient manner.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Customer satisfaction rating for workers' compensation program (Scale A=Excellent, B=Above Average, C= Average, D=Below Average, F=Fail)	7.3	7.1	B	B	B	B

◆ **Goal 6** To provide informational assistance to injured workers in an efficient manner.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of claimants contacted	1,287	2,200	1,840	1,800	1,800	1,800

**Program Summary**

ADJUDICATION OF DISPUTES

Harriet Turney, Chief Judge  
 Phone: (602) 542-5247  
 A.R.S. § 23-941

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	4,754.6	5,269.1	5,269.1	5,269.1
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,754.6</b>	<b>5,269.1</b>	<b>5,269.1</b>	<b>5,269.1</b>
<b>FTE Positions</b>	<b>54.0</b>	<b>45.0</b>	<b>45.0</b>	<b>45.0</b>

◆ **Goal 1** To process and set hearings so that they are heard in a timely manner.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of petitions for hearing received: workers compensation	6,471	6,500	6,857	7,300	7,300	7,300
Petitions for hearing received: OSHA	53	50	49	60	70	75
Awards issued: Workers' Compensation	6,474	6,500	6,469	6,550	6,550	6,550
Average number of days to resolve a case by the administrative law judge division	112	110	107	110	110	110

◆ **Goal 2** To process requests for hearing in the most efficient, cost effective manner.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Awards issued without hearing	3,005	3,200	2,898	3,000	3,000	3,000
Number of hearings conducted by the administrative law judge division	4,123	4,200	4,989	5,000	5,000	5,000



**Program Summary**

LABOR LAW ADMINISTRATION

Karen Axsom, Director  
Phone: (602) 542-4515

A.R.S. §§ 23-230 et seq., 23-350 et seq., 23-363 et seq., 23-521 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	699.8	886.4	886.4	886.4
Other Non Appropriated Funds	11.5	12.0	12.0	12.0
<b>Total Funding</b>	<b>711.4</b>	<b>898.4</b>	<b>898.4</b>	<b>898.4</b>
<b>FTE Positions</b>	<b>19.0</b>	<b>15.0</b>	<b>15.0</b>	<b>15.0</b>

◆ **Goal 1** To efficiently enforce the Child Labor Laws in a timely manner.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of injury reports reviewed	356	400	354	400	360	360
Child labor law violations investigated	18	25	16	25	25	25
Violations confirmed	1	5	5	5	5	5
Turnover time (time violations known to Labor to time violation confirmed in days)	40	45	42	45	45	45

◆ **Goal 2** To efficiently process and investigate wage claims in a timely manner.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of claims filed	2,554	2,800	2,570	2,800	2,800	2,800
Average months to complete investigation	1.9	2.0	2.5	2.0	2.5	2.5

◆ **Goal 3** To efficiently process and monitor the licensing of private employment agencies.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average months to complete investigation	1.5	1.5	1.5	1.5	1.5	1.5
Percent of licenses processed within 90 days	100.0	90.0	100.0	100.0	100.0	100.0
License applications processed	11	10	3	5	5	5
Complaints investigated	1	5	2	5	5	5

◆ **Goal 4** To efficiently process, investigate minimum wage claim complaints and enforce minimum wage laws.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Complaints filed	24	50	32	50	50	50
Average months to complete investigation	2.1	2.0	1.9	2.0	2.0	2.0
Inquires	0	0	1,200	1,200	1,000	1,000
Complaints resolved through administrative determinations	0	0	3	10	10	10
Complaints mediated and resolved	0	0	20	40	40	40
Audit of Payroll Records & Compliance investigations completed	0	0	32	50	50	50

**Program Summary**

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

Darin Perkins, Director  
 Phone: (602) 542-5795  
 A.R.S. § 23-405

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	3,892.2	4,378.7	4,561.3	4,521.1
Other Non Appropriated Funds	4,698.3	5,496.6	5,679.3	5,639.0
<b>Total Funding</b>	<b>8,590.5</b>	<b>9,875.3</b>	<b>10,240.6</b>	<b>10,160.1</b>
<b>FTE Positions</b>	<b>75.0</b>	<b>73.0</b>	<b>77.0</b>	<b>77.0</b>

◆ **Goal 1** To effectively enforce all OSHA standard in safety compliance and industrial hygiene.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of health compliance inspections	324	400	362	400	450	450
Health violations	1,036	1,200	1,152	1,200	1,300	1,300
Number of safety compliance inspections	571	600	755	900	900	900
Safety violations found	1,665	1,700	1,907	2,250	2,250	2,250

◆ **Goal 2** To provide effective and timely voluntary consultation services to aid employers in recognizing and abating work place hazards.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Safety consultation surveys	226	250	163	200	250	250
Hazards	497	550	548	600	650	700
Health consultation surveys	155	170	169	170	170	170
Hazards	571	600	702	650	650	650

◆ **Goal 3** To provide statewide training programs to employees concerning specific safety related functions that are timely and effective.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Programs	194	200	230	230	230	230
Employers trained	1,444	1,500	2,255	2,000	2,000	2,000
Employees trained	3,175	3,500	2,970	3,500	4,000	4,000

◆ **Goal 4** To ensure that there is no danger to employees or the general public from Arizona boilers or elevators.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Boilers inspected	4,291	4,300	3,118	4,000	4,000	4,000
Deficiencies identified	1,890	2,000	1,932	2,000	2,000	2,000
Elevators inspected	5,790	6,000	5,959	6,000	6,000	6,000
Deficiencies identified	2,321	2,500	2,462	2,500	2,500	2,500

◆ **Goal 5** To effectively investigate OSHA Discrimination Cases

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Discrimination Complaints Received	0	0	76	80	85	90

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of complaints where initial decision was reached within 90 days (includes cases administratively dismissed without investigation)	0	0	51	55	50	50

<b>Program Summary</b>	
SPECIAL FUND CLAIMS PROCESSING	
David Sosa, Special Fund Manager Phone: (602) 542-3294 A.R.S. §§ 23-907, 23-966, 23-1065	

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	773.7	854.2	854.2	854.2
Other Non Appropriated Funds	115.2	0.0	0.0	0.0
<b>Total Funding</b>	<b>888.9</b>	<b>854.2</b>	<b>854.2</b>	<b>854.2</b>
<b>FTE Positions</b>	<b>18.0</b>	<b>16.0</b>	<b>16.0</b>	<b>16.0</b>

◆ **Goal 1** To process claims of injured Special Fund claimants in timely manner.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average days between receipt of claims notice and issuance of award	20.5	21.0	21.0	21.0	21.0	21.0
Pre-1973 Supportive care awards issued	5	4	32	50	45	40
No insurance determinations issued	882	930	1,365	1,433	1,505	1,580
Rehabilitation awards issued for scheduled and unscheduled injury types.	132	160	125	155	163	171
Reimbursement request processed on second injury claims.	0	0	636	668	701	736
A.R.S. § 23-966 Determinations made	0	0	34	48	201	212

**Program Summary**

LEGAL COUNSEL

Andrew Wade, Chief Counsel  
 Phone: (602) 542-5781  
 A.R.S. § 41-192 (G)

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,103.2	1,288.1	1,446.9	1,443.4
Other Non Appropriated Funds	258.0	258.0	258.0	258.0
<b>Total Funding</b>	<b>1,361.2</b>	<b>1,546.1</b>	<b>1,704.9</b>	<b>1,701.4</b>
<b>FTE Positions</b>	<b>20.3</b>	<b>19.0</b>	<b>21.0</b>	<b>21.0</b>

◆ **Goal 1** To provide quality legal representation to the Agency in contested legal matters.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
No Insurance cases referred for hearing	122	140	139	165	175	175
OSHA cases referred for hearing	51	55	49	60	70	75
Apportionment/Supportive Care Matters	87	90	62	70	70	70
Number of wage claim appeals	0	10	1	5	5	5
Litigation investigations completed	32	40	47	50	50	50
Civil Penalty Cases referred to hearing	11	20	15	20	20	20
Matters related to assignment of claims under A.R.S. § 23-966	40	40	44	45	45	45
Legal opinions & other miscellaneous	56	60	71	80	80	80
Rulemaking/Regulatory/Compliance/Legislation	11	10	3	10	10	10
Writs	81	90	73	80	80	80
Mandates	82	90	81	80	80	80

◆ **Goal 2** To effectively collect debts owed to the Industrial Commission.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Collection investigations completed	4	10	3	10	10	10
Collection files opened	144	160	220	220	220	220
Subrogation files opened	9	10	7	10	10	10

◆ **Goal 3** To effectively enforce compliance by Arizona employers with Arizona Workers' Compensation Insurance requirements.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of compliance referrals	2,046	2,400	2,421	2,500	2,500	2,500
Employers identified as uninsured	911	1,000	981	1,200	1,200	1,200
Compliance investigations completed	1,067	1,200	827	900	900	900
Civil penalties issued	126	130	167	175	175	175
Employers insured through our efforts	258	300	244	300	320	320
Injunctive proceeding initiated	38	45	63	70	70	70

# Department of Insurance

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# **FIVE YEAR STRATEGIC PLAN FY 2014 - FY 2018**

Arizona Department  
of Insurance



Germaine L. Marks  
Acting Director

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# Executive Summary

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The ADOI is Arizona's state government agency dedicated to overseeing the financial solvency of insurance companies and protecting insurance consumers through administering insurance laws, responding to the needs of insurance purchasers, and stimulating the insurance market by encouraging competition. ADOI was established as an independent agency in 1954. Continued positive economic development of the insurance market through insurers and licensed insurance professionals depends upon Arizona insurance consumers having confidence in the industry's strength.

## Mission

*The mission of the Arizona Department of Insurance ("ADOI") is to promote a strong insurance marketplace through consumer protection, sound financial regulation, and economic development.*

This statement recognizes that ADOI's objectives and responsibilities are intertwined. ADOI can not adequately protect consumers without providing sound financial regulation of the insurers doing business in Arizona. Similarly, the continued positive economic development of the insurance market through insurers and licensed insurance professionals depends upon Arizona insurance consumers having confidence in the industry's strength. ADOI provides a vital connection among all of those interests for the benefit of all Arizonans.

## Vision

*ADOI's vision is to set a standard of excellence for insurance regulation through quality leadership, experience and innovation. We will use technology, best practices, innovative ideas and courteous staff to make that vision a reality.*

## Principles

- *Professionalism* – All employees treat our customers, and each other, with respect and courtesy
- *Quality* – Our customer-focused service relies on effective communication, accountability, and dedication to continually learning
- *Leadership* – We encourage recognition of needs and problems while empowering people to effect change.
- *Efficiency* - We are committed to minimizing waste of resources and effort.

## Strategic Issues

ADOI's strategic issues and corresponding strategies are congruous with Governor Brewer's *Four Cornerstones of Reform*.

- 1 **Renewed Federalism - State-based Insurance Regulation.** One of the most critical issues facing Arizona and all other states is the modernization and preservation of state-based insurance regulation. State officials have successfully regulated the insurance industry for nearly 150 years, promoting the public interest, ensuring competitive markets, facilitating fair and equitable consumer protections, and maintaining the financial strength and solvency of the insurance industry.



- Strategy 1.1** Work cooperatively with industry and consumer groups, the ADOI, and other state insurance regulators to continuously improve the efficiency and effectiveness of state-based regulatory system to foster a sound, competitive, and market-responsive insurance industry, both nationally and globally.
- Strategy 1.2** Work with Arizona policymakers and insurance industry representatives to propose and enact legislation that makes Arizona laws consistent with standards developed with other state insurance regulators through the NAIC.
- Strategy 1.3** Effectively direct and manage ADOI's resources to ensure ADOI continues to meet NAIC accreditation standards, and continues to satisfy the needs and expectations of its customers and stakeholders.

**2. Economic Competitiveness - A Vibrant, Competitive, and Financially Sound Insurance Industry.**

Arizona's economy and citizens benefit from conditions that attract insurance business in Arizona and from other appropriate measures designed to increase competition, keep insurance prices down, make a wide array of insurance products and services available to individuals and businesses, and encourage investment in related business products, which generate tax revenue.

- Strategy 2.1** Administer solvency oversight responsibilities with resources and practices that meet or exceed NAIC accreditation standards.
- Strategy 2.2** Enforce Arizona insurance laws in a reasonable and consistent manner that promotes fair and strong competition among industry participants, and that minimizes bureaucracy and red tape.
- Strategy 2.3** Vigorously investigate, prosecute and otherwise deter insurance fraud.

**3. Modernizing State Government - Operational Efficiency and Effectiveness.** Like any other enterprise, ADOI must keep equipment, software and systems up-to-date, must train employees on new insurance laws, products and approaches, and should encourage innovation, in order to provide better service at lower costs.

- Strategy 3.1** Continue to update technology systems and to automate processes to allow ADOI to manage a growing workload while minimizing resource requirements.
- Strategy 3.2** Invest employees in ADOI's mission by demonstrating ADOI's commitment to them.
- Strategy 3.3** Cross train employees where practicable to reduce risks associated with employee attrition.

**4. Education Reform –Industry Competency, and Consumer Education and Awareness.** Education is important to ensure that Arizonans are being served by insurance professionals who have sufficient knowledge and understanding of insurance and financial instruments, and to help Arizonans make informed insurance-related decisions.

- Strategy 4.1** Routinely evaluate the quality of pre-license examinations and the availability of insurance continuing education opportunities.
- Strategy 4.2** Continually improve ADOI's internet web site, publications, and other resources to inform and educate Arizona's insurance industry and insurance consumers.
- Strategy 4.3** Provide insurance policyholders affected by catastrophes with literature and assistance with filing claims.

# Who We Are

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## Mission Statement

*The mission of the Arizona Department of Insurance (“ADOI”) is **to promote a strong insurance marketplace through consumer protection, sound financial regulation, and economic development.***

This statement recognizes that ADOI’s objectives and responsibilities are intertwined. ADOI can not adequately protect consumers without providing sound financial regulation of the insurers doing business in Arizona. Similarly, the continued positive economic development of the insurance market through insurers and licensed insurance professionals depends upon Arizona insurance consumers having confidence in the industry’s strength. ADOI provides a vital connection among all of those interests for the benefit of all Arizonans.

## Description

The ADOI is Arizona’s state government agency dedicated to overseeing the financial solvency of insurance companies and protecting insurance consumers through administering insurance laws, responding to the needs of insurance purchasers, and stimulating the insurance market by encouraging competition. ADOI was established as an independent agency in 1954. Continued positive economic development of the insurance market through insurers and licensed insurance professionals depends upon Arizona insurance consumers having confidence in the industry’s strength. The ADOI

- licenses insurance companies (“insurers”), insurance professionals (such as insurance producers, adjusters, surplus lines brokers), and a variety of other insurance-related entities, ensuring that only individuals and business entities that meet qualifications established in Arizona law are allowed to engage in insurance business in Arizona;
- monitors and promotes the financial soundness of insurers operating in Arizona and makes sure that insurers deliver on the promises they make in their insurance contracts with consumers;
- protects insurance consumers against unfair and illegal marketing, underwriting, and claims handling;
- assists consumers with insurance-related questions and problems;
- investigates insurance fraud (which inflates the cost of insurance);
- oversees the development of the captive insurance industry; and,
- annually collects over \$400 million in insurance premium taxes, license fees, and other revenues that benefit the General Fund.

## Programs

The ADOI achieves its agency mission by fulfilling the following program missions:

**Policy and Administration** provides leadership, direction, coordination, and support, enabling ADOI to achieve its overall mission.



Glossary

**Solvency Regulation** oversees and promotes the ability of authorized insurers to perform their financial obligations under insurance policies. Solvency Regulation includes the following subprograms:

- ***Financial Condition and Soundness Oversight*** detects and deters insurer financial deficiencies and unsound practices as early as possible.
- ***Insolvency Administration*** minimizes the impact of insurer insolvencies on Arizona residents.

**Consumer Support** assists, informs, and protects Arizona insurance consumers. Consumer Support includes the following subprograms:

- ***Consumer Assistance and Information*** provides insurance-related information and assistance to enable Arizona consumers to make informed decisions and to help consumers receive the services and benefits to which they are entitled under the law and in accordance with their policies.
- ***Market Practices Oversight*** protects Arizona insurance consumers from unfair and illegal market practices and oversees insurer compliance with Arizona laws, including those that promote effective health service delivery systems.

**Fraud Investigation and Deterrence** deters, investigates and facilitates convictions for insurance fraud.

**Licensing** provides efficient, effective and quality insurance licensing services and restricts license issuance and renewal to qualified candidates. Licensing includes the following subprograms:

- ***Insurance Professional Licensing*** provides efficient, effective and quality licensing services to insurance producers and other insurance-related service providers and restricts license issuance and renewal to qualified applicants.
- ***Insurer Licensing*** provides efficient, effective, and quality licensing services to insurers and other insurance risk bearing entities and restricts license issuance to qualified applicants.

**Premium Tax Collection and Analysis** collects, efficiently deposits, and accurately forecasts insurance premium tax revenues.

**Captive Insurance** provides a regulatory environment that enables development of the domestic captive insurance industry, and oversees the soundness of domestic captive insurers.

## Divisions

The ADOI's operations are administered through the following divisions:

**Office of the Director** provides leadership, direction, coordination and support, enabling ADOI to achieve its overall mission. The Office develops the agency's operational policies and coordinates and directs the activities of the agency's divisions and boards; provides technical support, advice and a variety of reports to the Governor's Office, state legislators and the U.S. Congressional delegation; develops, recommends, and implements insurance-related legislation, rules and substantive policy statements; participates as a member of the National Association of Insurance Commissioners (NAIC) ; coordinates interaction with the agency's major customers and stakeholders, including consumers, licensees, industry, elected officials, other state and federal agencies, and the media; oversees the preparation, publication and distribution of consumer-oriented literature, statutorily required reports, and the agency web site; participates in consumer outreach events and industry speaking engagements; coordinates legal representation of the agency by the Attorney General's Office and

renders ultimate decisions in administrative proceedings necessary to enforce and administer the Insurance Code.

**Financial Affairs Division** oversees regulation of licensed insurers, identifies insurers engaged in unsound financial practices and requires those companies to take corrective actions so that they comply with regulatory standards. The Division is comprised of three sections: **Financial Surveillance**, which is responsible for analyzing mandatory insurer financial filings; **Examinations**, which is responsible for periodic on-site full-scope financial examinations of insurers; and **Compliance**, which is responsible for statutory deposit administration, maintenance of public records and administrative support for the Division. The Division evaluates insurer license applications; analyzes periodic financial filings and data from other regulatory and public sources for quantitative and qualitative information; conducts on-site and in-house audits (“examinations”) of insurer financial records and works with insurers to correct deficiencies; reviews and renders decisions on insurer acquisitions, mergers and withdrawals; and, enforces trust deposits requirements, including monitoring a \$3.2 billion portfolio of securities held by the Arizona State Treasurer as well as deposits held in other jurisdictions for fulfillment of Arizona requirements.

**Captive Insurance Division** provides a regulatory environment that enables development of the domestic captive insurance industry, and oversees the soundness of domestic captive insurers. The ADOI established the Captive Insurance Division in response to 2002 legislation that created an alternative mechanism to traditional insurance that enables companies to control and customize their costs and coverage in a manner that is more responsive to their financial objectives. The Division licenses captive insurers, evaluates changes to captive insurer business plans, and analyzes periodic financial filings for quantitative and qualitative information.

**Receivership Division** maximizes the ability of insolvent insurance companies to pay valid creditor claims. The Division oversees the rehabilitation or liquidation of insolvent insurers, subject to court oversight; coordinates activities of special deputy receivers, attorneys, accountants, and other professionals who administer day-to-day affairs of the insolvent insurers’ estates, including collection and liquidation of assets and payments to claimants and creditors; and, coordinates with the Insurance Guaranty Funds Office (described below) to satisfy outstanding claim obligations to Arizonans and to assist Arizonans affected by insurance receiverships located in other states.

**Insurance Guaranty Funds Office** administers the Arizona Life and Disability Insurance Guaranty Fund and the Arizona Property and Casualty Insurance Guaranty Fund (collectively, “the Funds”), which serve as a safety net to protect insurance consumers from financial loss in the event that an authorized insurance company becomes insolvent. The Funds investigate, adjudicate, and pay the claims of Arizona insureds and claimants and provide other benefits to insureds in accordance with insurance contracts, subject to legal limits and exclusions; coordinate with other states to administer multi-state guaranty fund activities; and, levy assessments on member insurers to pay for Fund obligations (for which the member insurer receives a certificate of contribution, entitling the insurer to a credit to offset its Arizona premium tax obligation).

**Consumer Affairs Division** assists, informs and protects Arizona insurance consumers. The Division is comprised of three sections: **Consumer Assistance**, which renders assistance to insurance consumers; **Market Oversight**, which evaluates insurer conduct; and, **Health Care Appeals**, which administers the last stage of Arizona’s health care appeals process.

- The **Consumer Assistance Section** provides a full range of consumer information and assistance in response to written, telephonic, and walk-in requests; investigates and resolves complaints involving every kind of insurance; oversees examination of insurer records to ensure compliance with laws governing marketing, underwriting, and claim-settlement practices; coordinates with other state and

federal government agencies to resolve matters involving public benefits programs; assists with insurance-related education and outreach; helps Arizona businesses and individuals locate difficult-to-find liability insurance.

- The **Market Oversight Section** uses a wide range of research, analysis, and examination tools to evaluate insurer marketing, rating, underwriting, claims settlement practices, cancellation/non-renewal, and other conduct in the marketplace and to determine the most effective response to unlawful conduct. Market Oversight also conducts ongoing thorough and efficient market analysis utilizing surveys and reports. We emphasize coordinating technology, interstate cooperation and intra-agency communication to enhance the effectiveness of the Division's examination efforts.
- The **Health Care Appeals Section** administers 1997 legislation creating a uniform process for Arizona health insurance consumers to appeal insurer claim denials or requests for services. The final step in the appeal process affords the insured an unbiased, independent, external level of review administered by the ADOI.

**Investigations Division** investigates potential violations of Arizona insurance laws. The Division consists of the Administrative Enforcement Section and the Insurance Fraud Unit.

- **Administrative Enforcement Section** *investigates allegations of insurance code violations by insurers and insurance professionals, and unlicensed insurance activity.* The Section interviews witnesses, collects evidence, organizes case files and resolves the cases via consent orders or refers apparent violations to the Arizona Attorney General's Office for administrative action.
- **Insurance Fraud Unit** *deters, investigates and facilitates conviction for insurance fraud.* The Unit, staffed with certified Arizona peace officers, receives insurer referrals of cases of suspected insurance fraud, coordinates with other law enforcement agencies, conducts undercover investigations, interviews witnesses, collects evidence, organizes case files, and refers apparent violations for prosecution by the Arizona Attorney General or by a county attorney.

**Property and Casualty Division** *ensures that property and casualty insurance policies, contracts and related forms comply with Arizona law, and that rates for certain categories of property and casualty insurance are not excessive, inadequate or unfairly discriminatory.* The Division reviews form and rate filings for compliance; conducts surveys and market studies to evaluate the competitiveness and health of the market, and to determine categories of insurance coverage not readily procurable from authorized insurers; and, issues permits to service companies and motor vehicle service contract program providers. The Division also compiles and analyzes the responses and evaluates the results to determine the level of competition and the overall health of the Arizona property and casualty insurance market.

**Life and Health Division** *ensures that life and disability (a.k.a. health insurance) policies, contracts, advertising, and related forms comply with Arizona law, and that rates for certain categories of insurance are not excessive, inadequate or unfairly discriminatory.* Disability insurers include health, medical, dental and optometric service corporations (HMDOs) and non-profit service corporations. The Division oversees managed care provider education, complaint resolution, corrective action enforcement and compliance examinations for timely pay and HMO service delivery; and, the Division licenses third-party administrators and utilization review agents. During FY2011 and FY2012, the Division was responsible for much of ADOI's participation in all activities related to the implementation of federal health care reform. ADOI received a federal grant to assess and improve the effectiveness of its rate review as well as increase the transparency of rate regulation to consumers and other stakeholders. Also, the Division organized ADOI's work with the Governor's Arizona Health Insurance Exchange for planning and design of an exchange so Arizona will be prepared whether the State chooses a state-based exchange or a Federally-facilitated exchange.

**Administrative Services Division** consists of the Business Services Section and the Insurance Professional Licensing Section.

- ***Business Services Section*** *procures, provides, and pays for the goods and services needed to support efficient and effective agency operations, and assesses and fully collects taxes, fees, assessments, and other revenues prescribed by Arizona law.* The Section coordinates human resources, including employee recruitment, employment, orientation, training, and benefits issues; procures supplies, equipment, and services that the ADOI needs to support efficient and effective operations; administers employee payroll and pays contractors, vendors, and employees; deposits, records and audits over \$400 million annually in taxes, fees, and assessments; maintains and reconciles accounting records, and plans expenditures and cash flows for eleven different funds; distributes and posts mail; coordinates office space planning and facilities issues; and, oversees the Department's loss control program.
- ***Insurance Professional Licensing Section*** *provides efficient, effective and quality insurance licensing services to producers and other insurance-related service providers.* The Section reviews and analyzes applications for professional-services licensure, maintains and accesses agency-specific and national licensing databases, obtains criminal history information on certain applicants, maintains electronic and physical license files, and administers contracts for pre-license examination services and insurance continuing education administration.

**Information Services Division** *provides voice and data infrastructure, systems, equipment, and expertise to support ADOI operations.*

# Where We Are

## Customer and Stakeholder Identification

Since everything we do is directed toward satisfying the needs and expectations of our customers and stakeholders, our approach to building our Strategic Plan began with identifying our customers and stakeholders, and determining their needs and expectations, which we show in **Exhibit 1**.

**Exhibit 1: Customers and stakeholders, and their needs and expectations**

Customer/ Stakeholder	Program	Needs/Expectations
Arizona citizens and businesses	All programs ( <i>esp. Policy and Administration</i> )	Efficient and effective execution of the agency’s mission, including a sound, competitive and safe insurance industry
	Solvency Regulation	Ability of insurers (or insurer estate or guaranty fund) to promptly pay claims and other obligations  Avoidance of insurer insolvency costs, which are ultimately borne, directly or indirectly by Arizona taxpayers.
	Consumer Support	Investigation, examination and oversight of the insurance industry and protection against unlawful practices by companies and individuals  Ability to purchase affordable insurance that provides coverage and access to related services throughout Arizona  Expert and prompt assistance and resources for finding insurance, making insurance decisions and resolving problems in all lines of insurance including personal auto, homeowner’s, life and health insurance, and commercial/business-related insurance  Prompt assistance from employees well-versed in resolving insurance problems and answering questions including help finding insurance of all kinds and informing consumers about their rights and obligations when purchasing insurance and settling claims  Publications in response to emergency situations such as wildfires and floods, as well as materials to meet everyday insurance needs including publications that compare insurance premiums for auto, home and Medicare Supplement plans  Being kept apprised of the status of outstanding inquiries and requests for assistance
	Fraud Investigation and Deterrence	Affordable insurance (premiums not inflated by the effects of insurance fraud)



**Exhibit 1: Customers and stakeholders, and their needs and expectations**

Customer/ Stakeholder	Program	Needs/Expectations
	Licensing	Solvent insurers Competent, knowledgeable, and trustworthy insurance professionals Access to up-to-date information concerning licensees Collection and deposit of fees that recoup agency operating costs, thereby eliminating ADOL's fiscal impact on the general public
	Premium Tax Collection and Analysis	Collection of taxes
	Captive Insurance	Interest in managing risk and controlling losses rather than procuring insurance Economic development Ability of captive insurer to meet its obligations
<b>Public, press, media</b>	All programs ( <i>esp. Policy and Administration</i> )	Ability to promptly view, receive copies, or receive electronic public records Ability to receive output from custom queries on ADOL-maintained data Prompt access to knowledgeable employees
<b>Policymakers (Governor's Office and Legislature)</b>	Policy and Administration	Knowledge and expertise in insurance, insurance regulation, and other insurance-related matters Timely responses (statistics, reports, surveys) to requests for information and research the ADOL maintains on a variety of issues Efficient and effective execution of the agency's mission, including a sound, competitive, and safe insurance industry An attractive environment for business (economic growth) Satisfied agency customers
	Solvency Regulation	Minimized potential for insurer insolvencies and resulting adverse effects
	Premium Tax Collection and Analysis	Timely and accurate tax forecasts
	All programs	Excellent service to constituents Approach to administering Arizona laws that promotes competition, economic development, and efficiency

**Exhibit 1: Customers and stakeholders, and their needs and expectations**

Customer/ Stakeholder	Program	Needs/Expectations
<b>Arizona risk management agencies</b> ( <i>Risk Management Office; Attorney General; Auditor General; Division of Emergency Management; Strategic Enterprise Technology Office; ADOA Human Resources</i> )	All programs ( <i>esp. Policy and Administration</i> )	Systems, controls, policies, procedures, and practices that provide internal controls, identify and eliminate hazards and otherwise minimize risk, and effectively execute ADOI’s mission  Consistent, well-documented practices and decisions that properly administer Arizona law
<b>Attorney General</b>	Solvency Regulation	Promptly, competently administered, well-documented, informative, and low-cost examinations and analyses
	Consumer Support; Fraud Investigation and Deterrence	Thoroughly conducted investigations and well-organized evidence and documentation that support proposed administrative actions and criminal prosecutions  Competent, well-informed, and professional testimony from ADOI employees and contractors
	Licensing; Premium Tax Collection and Analysis; Captive Insurance	Legally defensible practices and determinations
<b>Insurance companies</b>	Policy and Administration	Input on policy
	Solvency Regulation	Promptly, competently administered, well-documented, informative, minimally invasive, and low-cost examinations and analyses
	Consumer Support	Fair, targeted, and efficient inquiries, investigations, and examinations/audits  Level playing field in which to compete  Readily understood and efficiently administered systems and procedures for filing rates, forms, advertising, and other requirements, that present minimal barriers to conducting business

**Exhibit 1: Customers and stakeholders, and their needs and expectations**

Customer/ Stakeholder	Program	Needs/Expectations
	Fraud Investigation and Deterrence	<p>Prompt investigation and effective prosecution of referred cases</p> <p>Being kept apprised of the status and dispositions of cases referred</p> <p>Insurance fraud deterrence</p> <p>Restitution for fraud losses</p>
	Licensing	<p>Competent, knowledgeable and trustworthy insurance professionals who will not expose the insurer to liability associated with misrepresenting insurance products or misappropriating monies</p> <p>A diverse population of licensed professionals to serve Arizona’s diverse population and to otherwise support insurer and brokerage diversity goals</p>
<b>Insurance professionals (producers, adjusters, etc.) and insurance companies</b>	Licensing	<p>Easy-to-complete, easy-to-understand and easy-to-fulfill license requirements</p> <p>Educational resources to promote insurance education and to help prepare for the insurance license exam</p> <p>Fair and reasonable licensing decisions</p> <p>Consistent requirements from state to state (for professionals licensed in multiple states)</p> <p>Low license-related fees/costs</p> <p>Prompt and courteous service</p>
<b>Other insurance regulators and the National Association of Insurance Commissioners (NAIC)</b>	All programs	<p>Input (knowledge and expertise) by correspondence, in meetings/conferences, etc. toward making insurance regulation as efficient and effective as possible</p> <p>Consistent approach to regulation (including similar laws and policies)</p>
	Solvency Regulation	<p>Competent, reliable, and responsive oversight of Arizona’s domestic insurers (that meet accreditation standards)</p> <p>Timely information about potential issues or problems</p> <p>Coordination of examination efforts</p>
	Consumer Support	<p>Timely reports of complaints, investigation results, and administrative actions</p>
	Licensing	<p>Uniform standards and competent administration of licensing</p> <p>Accurate licensing data to support coordinated multi-state</p>

**Exhibit 1: Customers and stakeholders, and their needs and expectations**

Customer/ Stakeholder	Program	Needs/Expectations
		licensing activities  Participation in task forces, working groups and projects facilitating efficient and effective multi-state licensing and oversight
	Premium Tax Collection and Analysis	Timely and up-to-date information concerning taxes, fees, assessments, and other obligations levied by Arizona
<b>Various law-enforcement agencies</b>	Fraud Investigation and Deterrence	Assistance with and coordination on investigations  Participation in, and consultation with, multi-agency and multi-state task forces
<b>ADOI employees</b>	Policy and Administration	Security and satisfaction in employment, salary, and benefits  Safe, clean, comfortable, and friendly workplace  Interesting work activities  Being informed about job expectations, ADOI events, opportunities for advancement  Materials and equipment (esp. computer-related) that help fulfill job responsibilities efficiently and effectively  Recognition for exceptional performance  A sense that their job is important to the ADOI  Training and development opportunities  Ability to have input valued and ability to try new approaches  Prompt and correct answers to questions  Caring and understanding supervisors
<b>Vendors</b>	Policy and Administration	Timely payment of invoices  Unambiguous purchase/job orders  Ability to win contract/job awards

## Internal/External Assessment

We evaluated how our agency satisfies the needs and expectations of our customers and stakeholders, strengths and weaknesses in our methods, and opportunities and threats presented by our operating environment.

### Our Internal Assessment

The ADOI has developed and maintained ***an excellent reputation with customers and stakeholders***. The insurance industry recognizes and appreciates the quality of services ADOI delivers, and the expertise ADOI brings to the table. ADOI benefits from stakeholders and customers including ADOI in discussions about proposed legislation, and from industry feedback that we use to respond to the needs of our customers.

The ADOI has ***experienced, knowledgeable employees*** who deliver excellent service to agency customers and stakeholders.

- *ADOI employees demonstrate their willingness and ability to assume new or changed responsibilities.*
- *ADOI management successfully oversees seamless transitions upon the departure of key personnel. As of June 30, 2012, 30% of ADOI's 93 employees had 15 or more years experience with ADOI. The vast majority of these employees are in managerial, professional or technical positions in which considerable knowledge is developed on the job.*
- *However, 18% of ADOI's employees are currently eligible for retirement, and an additional 22% will be eligible for retirement within five years. Consequently, it is crucial for ADOI to be able to retain and develop employees who can provide the continuity of knowledge and ability required to deliver competent and efficient service.*
- *Employee satisfaction surveys suggest that internal communication needs improvement. ADOI employees want more regular communication from the Director's Office and from their division heads.*
- *Employee satisfaction surveys suggest that training/development needs improvement. Employees in some areas have specialized, technical knowledge limited in scope to their responsibilities, making the agency vulnerable to the loss of that knowledge with employee attrition. As employees learn more about other responsibilities in their divisions, and about what divisions outside their own do, they will be more vested in the ADOI's mission and more readily able to transition to other areas of responsibility when attrition occurs.*

The ADOI interfaces with externally hosted systems to deliver ***online licensing, rate and form filings, and tax-remittance services*** to customers.

- License applications that meet Arizona license or renewal requirements automatically update ADOI's license records in real time, requiring virtually no employee involvement and resulting in the applicant being immediately able to act under their license. However, current laws prevent the Arizona Department of Public Safety (ADPS) from receiving applicant fingerprints electronically from ADOI or from vendors with whom ADOI contracts, which requires applicants to submit physical fingerprint cards to the ADOI with fingerprint card processing fees, requires ADOI to transfer fingerprint cards and fees to the ADPS, and requires ADPS to scan the fingerprint cards in the Automated Fingerprint Identification System.
- The System for Electronic Rate and Form Filings (SERFF) helps insurers fulfill Arizona rate and form filing requirements, allows work to flow electronically among ADOI employees, and facilitates communication between ADOI and insurers about filings.

- Fees, taxes, and assessment paid online through the Online Premium Taxes for Insurance (OPTIns) system are immediately deposited into the State's bank account, maximizing the interest earned on receipts.

**Arizona's insurance laws provide ADOI the authority, resources, and flexibility to achieve its mission without burdening Arizona taxpayers.** ADOI recoups its General Fund appropriation through a fee schedule that charges the insurance industry licensing and other fees. ADOI recoups costs of providing other services (examinations/audits, final adjudication of health care appeals, insurance fraud investigation, etc.) through invoices and assessments paid by the insurance industry. During the past several years, policymakers have enacted session law suspending changes to ADOI's General Fund fee schedule because revenues have exceeded the statute-prescribed maximum, and the fee-schedule law would require significant reductions to fees (and General Fund revenues).

**Arizona's insurance laws and rules are not entirely consistent with national model acts, model regulations and uniformity guidelines.**

- Arizona is the only state in the U.S. that does not require all its resident insurance producers to complete insurance continuing education (CE). Currently, only Arizona residents who held a nonresident license at some point during the Arizona license term must complete CE. Additionally, NAIC uniformity guidelines call for 24 hours of CE every two years, including a minimum of 3 hours of ethics training. Arizona requires 40 hours of CE every four years with no minimum hours of ethics training.
- Arizona's requirements for managing general agents (MGAs) are also inconsistent with national standards. Arizona requires a separate license to be issued for MGAs whereas other states define an MGA to be an insurance producer that meets other standards. Arizona requires an MGA to post a surety bond with the state whereas other states require the insurer to obtain a surety bond from the MGA, and require the insurer to take other steps to protect itself when contracting with an MGA. ADOI looks forward to resolving these inconsistencies during the upcoming legislative session.
- The NAIC created the Interstate Insurance Product Regulation Commission in 2006 with an interstate compact among 27 member states. The Commission provides states with the ability to collectively use their expertise to develop uniform national product standards, affording a high level of protection to consumers of life insurance, annuities, disability income, and long-term care insurance products. The Compact's goal is to enhance the speed and efficiency of regulatory decisions based on strong product standards. While Arizona has an outstanding reputation for ensuring quality insurance products quickly reach the marketplace, we are now one of only five states that are not Compact members and three of those five have enabling legislation pending. ADOI is reevaluating the merits of Arizona becoming a participating member.

The **ADOI's technology architecture** is comprised of an IBM iSeries midrange computing system, a combination of personal computer network systems, a voice over IP telephone system that shares resources with the PC network, and externally hosted applications. Strengths and weaknesses of ADOI's system include the following:

- Employees with intermediate to advanced technical knowledge and skills to create spreadsheets and databases to manage, query, and report information.
- Most of ADOI's PC workstations use the no-longer-supported Windows XP operating system and operate very slowly. Early in FY 2013, ADOI began upgrading centralized PC networking equipment and software to support increased computing demands to allow new and upgraded PC workstations to be installed.
- ADOI's version of the Cisco Internet Protocol Call Center (IPCC) software, which answers, queues and routes calls to the Licensing Section and Consumer Affairs Division employees, will not work on a computer with a

Windows 7 operating system, and requires an old version of Internet Explorer (6.0 or older) in order to install the software. Until IPCC software is upgraded or replaced, employees in the Licensing Section and Consumer Affairs Division will not be able to have their computers replaced or upgraded to the Windows 7 operating system.

- ADOI's voice/data switches are outdated, and replacement equipment is not readily available, exposing ADOI to the risk of prolonged outage if current equipment fails.
- Most of ADOI's principal databases were programmed in RPG/400 in the late 1980s and early 1990s. Programming in RPG requires uncommon, specialized knowledge. Some of ADOI's RPG databases do not meet ADOI's current information management needs and would be extremely time consuming to modify.
- ADOI has neither fully implemented nor tested disaster recovery measures.

**Records management** is almost exclusively paper based. The Licensing Section now manages over 170,000 paper files, housed in three different rooms on two different floors. The number of files expands as the licensee population grows, and each license file expands with each license renewal application or correspondence involving the licensee. The Consumer Affairs Division, which receives an average of 6,000 complaints each year, also has file management issues. Complaint files can be voluminous and ADOI must keep them for six years after a complaint file is closed. In order to respond to public records requests, employees must redact nonpublic information, including personal health information, which is an extremely time-consuming project depending on the nature of the document. An electronic records management system would be invaluable to ADOI's increased efficiency.

### **Our External Assessment**

A variety of current and changing external forces influence the ADOI's ability to fulfill our mission and satisfy our customers' and stakeholders' needs and expectations.

**Economic conditions**, both state and national, impact the ADOI in a variety of ways, and can present both opportunities and threats.

- During hard economic times, more people explore becoming insurance professionals because of the relatively low barriers to entry (absence of minimum education requirements other than passing a pre-license exam, and low license fees). This is an opportunity to expand the number of insurance professionals available to serve Arizona consumer, and a challenge to process an increased volume of license applications so people who are qualified can promptly begin working under insurance licenses.
- State agencies, including ADOI, may find it easier to attract and retain quality employees during an economic downturn when people who might not otherwise consider state employment due to lower salaries may consider it.
- The insurance industry sees a significant increase in insurance fraud in all areas of insurance. Insurers make more referrals to our Fraud Unit, which requires us to make difficult decisions about which cases to pursue given the Unit's limited resources.

**The National Association of Insurance Commissioner (NAIC)** provides opportunities for effective and efficient state insurance regulation.

- The NAIC drafts model legislation, model regulations, and uniform guidelines, processes, and best practices with input from all state regulators that improve the consistency, uniformity, efficiency, and quality of regulation. ADOI has the opportunity to participate in formulating new regulatory approaches, such as insurer group supervision and supervisory colleges, which evaluate multi-entity corporate systems holistically and include international entities.

- The NAIC and its affiliates also develop products and services that facilitate regulatory transactions and information sharing among states and with the insurance industry. It also creates shared resources to which states and their customers and stakeholders have access.
- The NAIC offers continuing education programs for all areas of insurance regulation that allow our employees to expand their expertise in certain areas or to learn about new areas.
- The NAIC's Accreditation Program develops and maintains standards to promote sound insurance company financial solvency regulation. The program evaluates whether our financial analysis and examination processes are effective and efficient. The ADOL's continued accreditation is an opportunity to show that Arizona has a strong economic environment in which insurers should want to do business and it also provides crucial safeguards to consumers. Losing the NAIC accreditation would pose a serious threat to the viability of Arizona as a strong regulatory and economic environment for insurance business.

**Federal legislation** can expand or limit the state's powers to regulate insurance; impose or remove requirements or restrictions on Arizona and its agencies, including ADOL; create or resolve conflicts or inconsistencies with other (federal and state) laws; provide for resources and standards promoting uniformity among state insurance departments; increase or reduce bureaucracy on states and their customers and stakeholders. Recent examples include:

- *The Federal Insurance Office (FIO)* was established as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The FIO's authority extends to all lines of insurance except health insurance, most long-term care insurance and crop insurance. Although the FIO is not a federal regulator, it has broad powers to receive and collect data from insurers, including subpoena powers, as well as the authority to enter information sharing agreements. In January 2012, the FIO was to report to Congress on its assessment of state insurance regulation. The FIO still has yet to report to Congress, but is likely to be critical of many aspects of state insurance regulation. Although much of the criticism may be unwarranted, areas where state regulation is vulnerable to legitimate concern involve unnecessary redundancy, burdensome insurer examination processes, and lack of uniformity/reciprocity, particularly with insurance professional licensing and oversight.
- The ten-member *Federal Stability Oversight Council (FSOC)*, also established as part of Dodd-Frank, will have a critical role in the regulation of the U.S. financial system, particularly regarding institutions that present systemic risk to our economy. The FSOC legislation requires the President to appoint, as one of the ten voting members, a person "having insurance expertise," and state regulators are urging the appointment of a person with insurance regulatory experience rather than an insurance industry representative. The FSOC currently has five non-voting members and one of those non-voting members is a state insurance regulator selected by other state regulators through the NAIC.
- *National Association of Registered Agents and Brokers (NARAB)*. The lack of uniformity/reciprocity referenced above has precipitated two rounds of NARAB legislation. Most recently, "NARAB II" legislation is pending in both houses of Congress and it establishes an optional federal licensing clearinghouse for producers who become members. Insurance producers would still need a license in their home state (residence), but a single non-resident application would allow the producer to do business in all states. The NARAB member would be subject to only one set of licensing and continuing education standards. Currently, insurance producers must comply with different licensing requirements in every state. Although most states have substantially similar requirements, states continue to differ in some material respects that are burdensome to insurance producers. The Senate version of the bill calls for significant state insurance regulator membership on the NARAB board and it expressly preserves state authority in disciplinary and licensing matters.



- *The Patient Protection and Affordable Care Act (PPACA)* expands the ADOI's responsibilities by involving the agency in evaluating and potentially implementing certain aspects of either a state-based or federally-facilitated health insurance exchange. The ADOI's Life and Health Division, Consumer Affairs Division and the Fraud Unit will likely all see a significant impact and increased workload related to PPACA. PPACA also presented the opportunity for the ADOI to receive a federal grant to assess and improve the effectiveness of its rate review as well as increase the transparency of rate regulation to consumers and other stakeholders. Much of the work the ADOI has done to date with the Governor's Office of Health Insurance Exchange was also facilitated by federal grant funds awarded to the Governor's Office.
- *The Nonadmitted and Reinsurance Reform Act (NRRRA)*, which prompted Arizona to adopt conforming legislation, established "one-state compliance" for surplus lines transactions. The Act, in part, provided consistent due dates for reporting surplus lines transactions and for paying premium taxes on those transactions, and consolidated broker transaction filing requirements into the insured's home state (rather than a broker having to file a multi-state transaction with each state in which a portion of risk was located). The ADOI posted information about the Act on its web site and scripted information for The Surplus Line Association of Arizona web site, but has been faced with responding to an influx of questions concerning the Act. In the long run, however, surplus lines brokers (who were behind developing the Act) will become familiar with, and will appreciate, the one-state compliance approach, thereby improving our Premium Tax Collection and Analysis Program.
- Future federal legislative proposals may include a renewed push from the industry for an *Optional Federal Charter (OFC)*, allowing insurers to choose whether to be state or federally regulated (similar to the current optional state/federal banking charter). State regulators oppose the OFC proposal because it could confuse and disrupt insurance markets and affect long-standing protections for insurance consumers. In fact, the state-based system of monitoring insurance financial solvency has kept insurance companies stable, protecting policyholders during the recent financial turmoil much better than many other financial institutions, and state regulators are working to preserve state-based regulation (and state insurance premium tax revenues) in light of this recent federal legislative insurance activity.

**State legislation** can expand or limit ADOI's customer base or ADOI's scope of responsibilities; create or resolve conflicts or inconsistencies with other (federal and state) laws; impact Arizona's ability to remain its NAIC accreditation for sound insurance company financial solvency regulation; and affect ADOI's success at meeting the needs and expectations of its customers and stakeholders.

- *State Personnel Reform*. During the last session of the Arizona State Legislature, significant personnel reform legislation was enacted with an effective date of September 29, 2012. Personnel reform presents an opportunity to address internal weaknesses, including an increasing number of employees approaching retirement eligibility and the current inability to reward superior employees. Personnel reform can aid us in recruiting and retaining outstanding employees and competing with the private sector for professional and technical employees requiring specialized knowledge, skills and abilities. The existing personnel system emphasizes job security and rewards longevity over performance, and the threat of such a system became apparent during recent years' budget cuts and reductions in force. A system that makes it easier to quickly hire people, allows us to reward top performers as they gain knowledge, skills and abilities, and encourages supervisors to effectively manage their employees is a significant opportunity.

**The Department of Administration** can provide resources to help agencies operate more efficiently and effectively; impact our abilities to recruit, hire and retain employees, and to procure goods and services to support our operations.

- *State Personnel Reform*. The Department of Administration promulgates personnel rules; develops and administers personnel systems, policies, procedures, and forms; and renders decisions on certain personnel

actions. The Department of Administration can impact our ability to quickly hire people, to reward top performers as they gain knowledge, skills and abilities, and to encourage supervisors to effectively manage their employees.

- *Hiring Limitations.* Effective August 8, 2011, the ADOI has a prescribed maximum workforce size of 95 employees. In order to increase our workforce size beyond 95 employees, the ADOI must provide justification and receive approval from the Arizona Department of Administration for each new hire. While the ADOI appreciates the objectives of maximizing our existing resources and the overall goal of maintaining lean government, this has hindered our ability to fill existing vacancies that would help ADOI better serve customers and fulfill its mission. The policy applies even where the funding is available from non-appropriated special revenue sources, such as federal grants.
- *Enterprise Resource Planning.* The Department of Administration is in the initial stages of procuring an enterprise resource planning (ERP) system, which will change the way state agencies process business transactions. This may affect how agencies process accounting transactions, plan and budget funding, prepare reports and queries, process payroll and personnel transactions, procure and purchase goods, and services, manage inventory and assets, etc.

**Evolving technology resources** offer opportunities for ADOI to deliver even more efficient, high-quality services to customers.

- *Telecommunications.* The State of Arizona has issued a contract to CenturyLink to manage state voice and data systems. This may enable the ADOI to upgrade its voice/data system to provide increased functionality and to support current computer operating systems. The convergence of voice and data systems could allow ADOI's Consumer Assistance staff to have information appear on their computer screens when they receive a call from a consumer who has previously called or submitted information, and to enter information from consumer calls for use in responding to requests for assistance or completing investigations.
- *Mature automation contracts.* Over the past several years, Arizona state government's contracted vendors have successfully implemented a variety of efficient, easy-to-use online systems, providing the opportunity for ADOI to confidently initiate projects to restructure its information systems and deliver more of its services online. Examples of projects ADOI would like to initiate include:
  - Developing a system to allow insurance consumers to request assistance using an online form that routes requests to employees based on their knowledge set and that automatically enters information into ADOI databases.
  - Improving investigation systems to better record and organize case information (witness statements, correspondence and other evidence), to track and report on the status and dispositions of cases; and, to make case information and case management capabilities remotely accessible on computers and hand-held devices.
  - Developing a system to allow insurance companies to submit health care appeals electronically. Healthcare appeal files may contain hundreds of pages, so the ability to receive and store these files electronically would directly address efficiency and records management concerns.
  - Creating an interface with the existing NAIC online tax reporting and payment to allow electronically submitted information to be appended into ADOI databases, eliminating data entry work and allowing auditors to focus on auditing work.

# Where We Want To Be

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## Vision

ADOI's vision is *to set a standard of excellence for insurance regulation through quality leadership, experience and innovation*. We will use technology, best practices, innovative ideas and courteous staff to make that vision a reality.

## Principles

- *Professionalism* – All employees treat our customers, and each other, with respect and courtesy
- *Quality* – Our customer-focused service relies on effective communication, accountability, and dedication to continually learning
- *Leadership* – We encourage recognition of needs and problems while empowering people to effect change.
- *Efficiency* - We are committed to minimizing waste of resources and effort.

## Strategic Issues

ADOI's strategic issues are congruous with Governor Brewer's *Four Cornerstones of Reform*.

### **1. Renewed Federalism - State-based Insurance Regulation**

One of the most critical issues facing Arizona and all other states is the modernization and preservation of state-based insurance regulation. State officials have successfully regulated the insurance industry for nearly 150 years, promoting the public interest, ensuring competitive markets, facilitating fair and equitable consumer protections, and maintaining the financial strength and solvency of the insurance industry. States coordinate their efforts through the NAIC to regulate multi-state insurers, insurance enterprises, products and issues. The NAIC and its affiliates develop model laws and regulations, along with numerous products and services that facilitate regulatory transactions and information sharing among states and the insurance industry. State insurance departments are better equipped than the federal government to handle individual consumer complaints, local insurance market fluctuations, and the investigation and prosecution of insurance law violations through the appropriate law enforcement offices, such as the Arizona Attorney General's Office, and appropriate judicial forums, including the Arizona Office of Administrative Hearings and state superior courts.

**Strategy 1.1** *Work cooperatively with industry and consumer groups, the ADOI, and other state insurance regulators to continuously improve the efficiency and effectiveness of state-based regulatory system to foster a sound, competitive, and market-responsive insurance industry, both nationally and globally.* Through NAIC participation, state insurance regulators and insurance industry constituents collaborate on ways to improve regulatory efficiency and quality while minimizing barriers to business. The expanding global focus of many major insurers requires state regulators to work to strengthen the international insurance regulatory system. These activities include participating in a dialogue with international regulators and having a voice in decisions about the regulatory system in the European Union and beyond.

**Strategy 1.2** *Work with Arizona policymakers and insurance industry representatives to propose and enact legislation that makes Arizona laws consistent with standards developed with other state insurance regulators through the NAIC.* The ADOI shall continue to render assistance to policymakers and industry constituencies to identify and propose ways to make Arizona laws as responsive as possible to the needs and expectations of its customers and stakeholders. We will

work to accomplish this in ways that minimize costs to the insurance industry, which are ultimately borne by insurance consumers.

**Strategy 1.3** *Effectively direct and manage ADOI's resources to ensure ADOI continues to meet NAIC accreditation standards, and continues to satisfy the needs and expectations of its customers and stakeholders.* NAIC accreditation is vital to preserving state-based regulation because it means that state regulators have the laws, personnel, funding, procedures, and practices needed to effectively regulate the insurance industry's financial solvency.

## **2. Economic Competitiveness - A Vibrant, Competitive, and Financially Sound Insurance Industry**

Arizona's economy and citizens benefit from conditions that attract insurance business in Arizona and from other appropriate measures designed to increase competition, keep insurance prices down, make a wide array of insurance products and services available to individuals and businesses, and encourage investment in related business products, which generate tax revenue.

**Strategy 2.1** *Administer solvency oversight responsibilities with resources and practices that meet or exceed NAIC accreditation standards.* If the ADOI lost its NAIC accreditation, Arizona-domiciled insurers would be subject to increased direct regulation and oversight by other states, in turn leading to Arizona insurers relocating to other states.

**Strategy 2.2** *Enforce Arizona insurance laws in a reasonable and consistent manner that promotes fair and strong competition among industry participants, and that minimizes bureaucracy and red tape.* ADOI shall continue to solicit ideas for improvement through customer satisfaction surveys, shall evaluate the systems and approaches employed by other insurance regulators and other state agencies. ADOI will use that information to make systematic and procedural changes so that licensing and other requirements are easier to fulfill. To the extent appropriate and consistent with statewide objectives, ADOI shall apply for and use federal grants to improve its ability to review health insurance rates, to render decisions on whether requested rate increases are excessive, and to make its rate filing evaluation process transparent to the public.

**Strategy 2.3** *Vigorously investigate, prosecute and otherwise deter insurance fraud.* All Arizona insurance consumers pay for insurance fraud because insurers recover claims costs, whether legitimate or fraudulent, through premiums charged to insurance consumers. Basically, insurance fraud results in money flowing from insurance consumers into the pockets of thieves, instead of for goods and services that would benefit legitimate businesses and boost our economy. Insurance fraud prosecution often results in restitution awarded to the defrauded insurers, which reduces their bottom-line costs that are passed on to consumers. Publicity concerning insurance fraud prosecutions and convictions deters would-be perpetrators from committing insurance fraud.

## **3. Modernizing State Government - Operational Efficiency and Effectiveness**

Like any other enterprise, ADOI must keep equipment, software and systems up-to-date, must train employees on new insurance laws, products and approaches, and should encourage innovation, in order to provide better service at lower costs.

**Strategy 3.1** *Continue to update technology systems and to automate processes to allow ADOI to manage a growing workload while minimizing resource requirements.*

**Strategy 3.2** *Invest employees in ADOI's mission by demonstrating ADOI's commitment to them.* This includes holding agency-wide town hall meetings; routinely sending informative email about agency issues (such as personnel reform); recognizing, communicating about, and resolving employee concerns as soon as possible; promptly recognizing employees for superior performance.

**Strategy 3.3** *Cross train employees where practicable to reduce risks associated with employee attrition.*

**4. Education Reform –Industry Competency, and Consumer Education and Awareness.**

Governor Brewer has prioritized Education Reform as one of her *Four Cornerstones*. The focus of this cornerstone is on delivering education to provide for an educated, skilled workforce that will contribute to Arizona’s economy. Education is also important to ensure that Arizonans are being served by insurance professionals who have sufficient knowledge and understanding of insurance and financial instruments, and to help Arizonans make informed insurance-related decisions.

**Strategy 4.1** *Routinely evaluate the quality of pre-license examinations and the availability of insurance continuing education opportunities.*

**Strategy 4.2** *Continually improve ADOL’s internet web site, publications, and other resources to inform and educate Arizona’s insurance industry and insurance consumers.*

**Strategy 4.3** *Provide insurance policyholders affected by catastrophes with literature and assistance with filing claims.*

**Resource Assumptions**

The resource assumptions summarized in **Exhibit 2** are subject to change based on legislative changes (all funding categories), changes to claims paid by the Arizona Guaranty Funds (non-appropriated funds) and the award of additional federal grants (federal funds).

**Exhibit 2: Summary of Assumed Resources**

	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
<b>Full-time-equivalent (FTE) Positions</b>	139.7	138.2	138.2	138.2	138.2	138.2
<b>General Fund</b>	\$5,169,600 <sup>A</sup>	\$5,232,500	\$5,232,500	\$5,232,500	\$5,232,500	\$5,232,500
<b>Other Appropriated Funds</b>	0	0	0	0	0	0
<b>Non-appropriated Funds</b>	8,759,900 <sup>A</sup>	8,754,500	8,754,500	8,754,500	8,754,500	8,754,500
<b>Federal Funds</b>	546,100 <sup>A</sup>	0	0	0	0	0
<b>Total Agency Funds</b>	<b>\$14,475,600</b>	<b>\$13,987,000</b>	<b>\$13,987,000</b>	<b>\$13,987,000</b>	<b>\$13,987,000</b>	<b>\$13,987,000</b>

<sup>A</sup> Excludes one-time personnel reform pay increases.

## Agency Summary

### DEPARTMENT OF INSURANCE

Germaine L. Marks, Acting Director  
 Phone: (602) 364-3471  
 A.R.S. Title 20; AZ Const. Art. 15, § 5

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ POLICY AND ADMINISTRATION	1,401.3	1,417.5	1,417.5	1,417.5
➤ SOLVENCY REGULATION	6,247.0	6,139.5	6,134.1	6,134.1
➤ CONSUMER SUPPORT	5,208.9	4,959.5	4,476.3	4,476.3
➤ FRAUD INVESTIGATION AND DETERRENCE	601.3	693.6	693.6	693.6
➤ LICENSING	605.0	891.9	891.9	891.9
➤ PREMIUM TAX COLLECTIONS AND ANALYSIS	309.4	233.0	233.0	233.0
➤ CAPTIVE INSURER PROGRAM	146.6	140.6	140.6	140.6
<b>Agency Total:</b>	<b>14,519.5</b>	<b>14,475.6</b>	<b>13,987.0</b>	<b>13,987.0</b>
<b>Funding:</b>				
	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	5,188.0	5,169.6	5,232.5	5,232.5
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	9,331.5	9,306.0	8,754.5	8,754.5
<b>Total Funding</b>	<b>14,519.5</b>	<b>14,475.6</b>	<b>13,987.0</b>	<b>13,987.0</b>
<b>FTE Positions</b>	<b>139.7</b>	<b>140.2</b>	<b>138.2</b>	<b>141.2</b>

**Program Summary**

POLICY AND ADMINISTRATION

Germaine L. Marks, Acting Director

Phone: (602) 364-3471

A.R.S. Title 20; A.R.S. Title 20; AZ Const. Art. 15, § 5

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,322.4	1,337.0	1,337.0	1,337.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	78.9	80.5	80.5	80.5
<b>Total Funding</b>	<b>1,401.3</b>	<b>1,417.5</b>	<b>1,417.5</b>	<b>1,417.5</b>
<b>FTE Positions</b>	<b>14.9</b>	<b>15.4</b>	<b>15.4</b>	<b>15.4</b>

- ◆ **Goal 1** To efficiently and effectively coordinate, facilitate and support accomplishment of department-wide and divisional goals and objectives.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of Insurance Department employees surveyed who agree that agency management efficiently and effectively supports accomplishment of agency-wide and division goals and objectives.	N/A	75.0	66.7	75.0	75.0	75.0

- ◆ **Goal 2** To provide a satisfying work environment for agency employees.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of employee separations to average filled FTE positions	12.7	5.0	16.9	10.0	5.0	5.0
Percentage of Insurance Department employees surveyed who responded they were "satisfied" with their jobs	76.3	80.0	77.3	80.0	80.0	80.0

- ◆ **Goal 3** To provide quality accounting, budgeting, personnel and procurement services to internal customers.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of Insurance Department employees surveyed who responded they were "satisfied" or better with the Business Services Section	80.0	85.0	86.7	85.0	85.0	85.0

- ◆ **Goal 4** To provide quality information technology support to internal customers.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of Insurance Department employees surveyed who responded they were "satisfied" or better with the Information Services Division	80.0	70.0	78.7	80.0	80.0	80.0

- ◆ **Goal 5** To promptly fulfill appropriate public records requests and subpoenas.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average days to fulfill a public records request	3.6	5.0	6.0	8.0	10.0	14.0

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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or respond to a subpoena from date received

Program Summary						
SOLVENCY REGULATION						
Germaine L. Marks, Acting Director						
Phone: (602) 364-3471						
A.R.S. Title 20; AZ Const. Art. 15, § 5 and Art. 14, § 16						

Funding:	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
General Funds	287.5	209.2	209.2	209.2
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	5,959.5	5,930.3	5,924.9	5,924.9
<b>Total Funding</b>	<b>6,247.0</b>	<b>6,139.5</b>	<b>6,134.1</b>	<b>6,134.1</b>
<b>FTE Positions</b>	<b>29.8</b>	<b>30.1</b>	<b>30.1</b>	<b>30.1</b>

◆ **Goal 1** To efficiently and effectively analyze financial filings of insurers.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percentage of priority domestic insurer annual financial reports analyzed by April 30	100.0	95.0	98.0	95.0	95.0	95.0
Percentage of priority domestic insurer supplemental filings analyzed within 45 days after receipt	100.0	95.0	98.0	95.0	95.0	95.0
Percentage of non-priority domestic insurer annual financial reports analyzed by June 30	100.0	95.0	98.0	95.0	95.0	95.0
Percentage of non-priority domestic insurer supplemental filings analyzed within 90 days after receipt	98.4	95.0	98.0	95.0	95.0	95.0

◆ **Goal 2** To timely, efficiently and effectively examine domestic insurers.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percentage of domestic insurers examined within statutory timeframes	100.0	100.0	100.0	100.0	100.0	100.0
Number of new domestic receiverships	0	N/A	1	N/A	N/A	N/A

**Explanation:** No one can predict the number or timing of insurance company receiverships.

◆ **Goal 3** To efficiently and effectively administer the Guaranty Funds.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percentage by which investment earnings of the Guaranty Funds exceeded the 90-day T-bill rate	0.03	0.05	-0.05	0.00	0.00	0.00
Claims handling audit score for claims handled by the Guaranty Funds office (perfect score = 100)	N/A	N/A	N/A	N/A	95.0	N/A

**Explanation:** Because of the low volume of claims, the small total of loss payments and the small total of loss adjustment expenses, the ADOI determined it inefficient to have a claims audit performed in FY 2012.



**Program Summary**

**CONSUMER SUPPORT**

Germaine L. Marks, Acting Director  
 Phone: (602) 364-3471  
 A.R.S. Title 20

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	2,181.1	2,192.6	2,255.5	2,255.5
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	3,027.8	2,766.9	2,220.8	2,220.8
<b>Total Funding</b>	<b>5,208.9</b>	<b>4,959.5</b>	<b>4,476.3</b>	<b>4,476.3</b>
<b>FTE Positions</b>	<b>59.6</b>	<b>59.1</b>	<b>57.1</b>	<b>60.1</b>

- ◆ **Goal 1** To efficiently and effectively evaluate, and secure corrective action to deficiencies in health care service organization network adequacy, plan management, member services, quality improvement systems, utilization management and timely pay and grievance law compliance.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of managed care examination reports filed within one year after exit from company for reports filed during the year	100.0	100.0	N/A	100.0	100.0	100.0

**Explanation:** The ADOI did not file any managed care examination report during FY 2012.

Percentage of managed care examination draft reports sent to the company within 60 days after exit	N/A	100.0	N/A	100.0	100.0	100.0
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**Explanation:** The ADOI did not draft any managed care examination report during FY 2012.

- ◆ **Goal 2** To efficiently and effectively evaluate and secure corrective action to deficiencies in prepaid dental plan network adequacy, plan management, member services, and quality improvement systems.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of prepaid dental plan organization quarterly reports reviewed for compliance with laws and regulations	100.0	90.0	100.0	90.0	90.0	90.0

- ◆ **Goal 3** To efficiently and effectively analyze and examine insurers' marketing, claims, underwriting, and rating practices.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of market conduct examination reports filed within one year after exit from company for reports filed during the year	100.0	90.0	100.0	100.0	100.0	100.0
Amount of restitution recovered through market conduct examinations (in thousands of dollars)	30.4	50.0	318.9	100.0	100.0	100.0
Percentage of market conduct examination draft reports sent to the company within 60 days after exit	100.0	100.0	100.0	100.0	100.0	100.0

- ◆ **Goal 4** To efficiently and effectively monitor the competitiveness of the property and casualty insurance markets.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
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Average days to complete market analysis monitoring reports from the date market monitoring surveys are sent to insurers, for market monitoring reports completed during the fiscal year	81.0	135.0	74.1	135.0	135.0	135.0
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◆ **Goal 5** To efficiently and effectively review Property and Casualty rate filings to determine compliance with Arizona law.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percentage of targeted open-competition rate filings (Article 4.1) reviewed within 90 days from date filing received	100.0	95.0	100.0	95.0	95.0	95.0
Percentage of file-and-use rate filings (Article 4) reviewed by the effective date of the rates	100.0	95.0	100.0	95.0	95.0	95.0
Average days to complete substantive review of file-and-use rate filings	5.0	15.0	10.3	15.0	15.0	15.0
Percentage of Property and Casualty rate filings submitted electronically	92.0	90.0	97.6	90.0	90.0	90.0

◆ **Goal 6** To efficiently and effectively review policies, contracts and related form filings to verify they contain all provisions and coverages required by law and are not misleading or unfairly discriminatory.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percentage of Property and Casualty form filings for which review was completed within the prescribed substantive review period	100.0	95.0	99.8	95.0	95.0	95.0
Average calendar days to complete substantive review of Property and Casualty form filings	5.0	20.0	5.0	20.0	20.0	20.0
Percentage of Life and Health form filings for which review was completed within the prescribed substantive review period	94.0	90.0	91.4	90.0	90.0	90.0
Average days to complete substantive review of Life and Health form filings	19.7	22.0	22.7	22.0	22.0	22.0
Percentage of form filings submitted electronically	97.2	97.5	98.3	98.0	98.0	98.0

**Explanation:** Includes life, health, and property and casualty form filings.

◆ **Goal 7** To efficiently and effectively investigate apparent violations of the insurance code by insurers, professional service licensees and unauthorized parties, and to refer apparent violations for prosecution or administrative action.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Average calendar days to complete an investigation after receipt of complaint warranting an investigation	66.6	100.0	76.3	100.0	100.0	100.0

**Explanation:** The measurement only includes complaints that were investigated and closed and excludes complaints that warrant investigation but cannot be investigated due to resource limitations.

◆ **Goal 8** To efficiently and effectively administer health insurance external appeals process.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percentage of health care appeals administered within statute-prescribed timeframes for health care appeal cases	100.0	100.0	100.0	100.0	100.0	100.0

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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completed during the fiscal year

◆ **Goal 9** To efficiently and effectively render assistance to consumers and other constituents on insurance-related matters.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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Percentage of success in locating liability coverage for difficult-to-place risks	100.0	99.0	100.0	95.0	95.0	95.0
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Percent of survey respondents indicating satisfied or better with assistance rendered	73.1	60.0	56.3	60.0	60.0	60.0
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Average days to resolve request for assistance	101.5	180.0	180.6	180.0	180.0	180.0
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◆ **Goal 10** To efficiently and effectively make insurance-related information available to the public.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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Number of insurance-related public education events conducted during the fiscal year that had 10 or more attendees	26	20	18	15	20	20
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**Program Summary**

**FRAUD INVESTIGATION AND DETERRENCE**

Charles Gregory, Special Agent Supervisor  
 Phone: (602) 364-2140  
 A.R.S. §§ 20-466 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	601.3	693.6	693.6	693.6
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>601.3</b>	<b>693.6</b>	<b>693.6</b>	<b>693.6</b>
<b>FTE Positions</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>

◆ **Goal 1** To efficiently and effectively investigate fraud referrals.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of investigations completed from referrals	87	20	125	50	50	50
<b>Explanation:</b> Excludes major cases, which are large-scale investigations involving multiple referrals and a common set of suspects.						
Number of fraud referrals received from insurers	2,290	2,000	2,370	2,300	2,300	2,300
<b>Explanation:</b> Excludes major cases						
Number of insurer-referred cases submitted for prosecution (including citations in lieu of detention)	52	15	61	25	25	25
<b>Explanation:</b> Excludes major cases.						
Number of convictions from insurer-referred cases	49	10	47	15	15	15
<b>Explanation:</b> Excluded major cases.						
Average days to complete investigation of insurer-referred cases for cases completed during the year	169.8	350.0	420.0	350.0	350.0	350.0
<b>Explanation:</b> Excludes major cases.						
Number of citation-in-lieu-of-detention cases submitted for prosecution	0	0	0	0	0	0
Number of citations in lieu of detention resulting in conviction or consent decree	0	0	0	0	0	0
Total restitution ordered from investigations of insurer-referred cases (in thousands of dollars)	729.0	20.0	1,110.0	450.0	450.0	450.0

◆ **Goal 2** To efficiently and effectively target and investigate major fraud cases.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of major case investigations completed	19	2	4	2	2	2

**Explanation:** Major cases are large-scale investigations involving multiple referrals and a common set of suspects.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of major cases submitted for prosecution.	16	2	4	2	2	2
Number of major cases that resulted in convictions	20	2	2	2	2	2
Total restitution ordered from major case investigations (in thousands of dollars)	423.0	20.0	699.0	200.0	200.0	200.0

**Program Summary**

LICENSING

Scott B. Greenberg, Chief Operating Officer  
 Phone: (602) 364-3764  
 A.R.S. Title 20; AZ Const. Art. 15, § 5

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	486.3	504.2	504.2	504.2
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	118.7	387.7	387.7	387.7
<b>Total Funding</b>	<b>605.0</b>	<b>891.9</b>	<b>891.9</b>	<b>891.9</b>
<b>FTE Positions</b>	<b>12.8</b>	<b>12.5</b>	<b>12.5</b>	<b>12.5</b>

◆ **Goal 1** To efficiently and effectively process insurer license applications.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average Licensing Time Frames Days from the date an application for initial license is received to the date that the license decision is rendered, for insurers, reinsurers, service corporations, health care services organizations and prepaid dental plan organizations	14.9	20.0	23.0	25.0	25.0	25.0

**Explanation:** Licensing Time Frames days are the Overall Time Frame days, as defined in A.R.S. § 41-1072(2), minus the days that the Overall Time Frame is suspended in accordance with A.R.S. § 41-1074(B).

◆ **Goal 2** To provide quality service to professional service license customers.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of insurance professionals surveyed who reported they were "satisfied" or better with licensing services	98.6	97.5	98.8	98.0	98.0	98.0

◆ **Goal 3** To efficiently and effectively process professional service license applications.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average Licensing Time Frames Days required to render a decision on an insurance professional license application or renewal application from the date it was received	2.0	3.5	1.8	2.0	2.0	2.0

**Explanation:** Licensing Time Frame Days are the overall time frame days, as defined in A.R.S. § 41-1072(2), minus the days that the overall time frame is suspended in accordance with A.R.S. § 41-1074(B).

Producer license and renewal applications received	48,791	46,661	54,038	53,863	53,517	52,529
Total producers licensed at June 30	169,862	174,713	177,834	185,791	193,748	201,705
Percentage of new license applications and fee payments received electronically	81.1	83.0	77.7	78.5	79.2	80.0
Percentage of license renewal applications and fee payments received electronically	75.7	77.0	83.0	83.7	84.5	85.0

**Program Summary**

**PREMIUM TAX COLLECTIONS AND ANALYSIS**

Scott B. Greenberg, Chief Operating Officer  
 Phone: (602) 364-3764  
 A.R.S. §§ 20-224 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	309.4	233.0	233.0	233.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>309.4</b>	<b>233.0</b>	<b>233.0</b>	<b>233.0</b>
<b>FTE Positions</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>

◆ **Goal 1** To fully collect the premium tax required by law.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Amount of tax, interest and penalties recovered through audits (in millions of dollars)	0.7	0.7	2.2	1.0	1.0	1.0

◆ **Goal 2** To efficiently deposit premium tax revenues.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of premium tax (installment and annual) reports and payments received electronically	9.2	10.0	13.3	15.0	17.0	20.0

◆ **Goal 3** To accurately forecast premium tax revenues.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Difference (absolute value) between tax revenue forecast and actual fiscal-year tax revenues collected	6.5	2.0	4.8	3.0	3.0	3.0

◆ **Goal 4** To provide quality service to premium taxpayers.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of insurance premium taxpayers surveyed who reported they were "satisfied" or better with the Premium Tax Unit.	N/A	75.0	11.1	33.3	50.0	66.6

**Program Summary**

**CAPTIVE INSURER PROGRAM**

Kurt A. Regner, Assistant Director

Phone: (602) 364-3999

A.R.S. Ch. 4, Art. 14, Title 20; AZ Const. Art. 15, § 5

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	146.6	140.6	140.6	140.6
<b>Total Funding</b>	<b>146.6</b>	<b>140.6</b>	<b>140.6</b>	<b>140.6</b>
<b>FTE Positions</b>	<b>4.2</b>	<b>4.7</b>	<b>4.7</b>	<b>4.7</b>

◆ **Goal 1** To enable growth of the domestic captive insurance industry.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of new captive insurers licensed	3	5	7	7	7	7

◆ **Goal 2** To efficiently and effectively process captive insurer license applications.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of captive insurer license applications reviewed within 30 days of receiving an administratively complete application	100.0	100.0	100.0	100.0	100.0	100.0

◆ **Goal 3** To efficiently and effectively oversee the soundness of domestic captive insurers.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of captive insurer annual reports analyzed within 120 calendar days of receipt	18.8	18.8	34.7	20.0	20.0	20.0



# Judicial System

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



# Justice 20|20

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*A Vision for the Future  
of the Arizona Judicial Branch*

2010 - 2015





## *A Message from the Chief Justice*

Strategic planning requires a clear view of where we have been and a clear vision for the future. As Arizona prepares to celebrate 100 years of statehood in 2012, we should reflect on how far we have come and plan to face the challenges that lie ahead. In this strategic agenda, we mark the milestones of our justice system and create a roadmap for excellence for the next five years.

While our justice system undoubtedly looked quite different a century ago, the Arizona Supreme Court's essential vision remains unchanged: to provide the people of Arizona with a court system that fairly and impartially administers justice and efficiently resolves disputes. Courts must ensure that the rule of law protects the rights of all.

We must keep our focus as we navigate the challenges of operating a court system that serves a growing population of more than six million people. Case loads are exploding, while court funding is diminishing.

We are proud of the technological advances we have made, and we have bold plans to implement new technologies to make the courts even more efficient. Using technology to improve access to court documents and to allow more electronic filing will continue to make the courts more transparent, accessible, and effective. These ongoing improvements are vital to maintaining public trust and confidence in our justice system.

We also recognize that the complexity of legal proceedings can frustrate those who encounter the courts. Victims, witnesses, and unrepresented litigants may confront bewildering instructions couched in sometimes obscure legal language. We strive to simplify court processes to make the courts more comprehensible and available to everyone. The complexity of the court system can also slow cases and make the system difficult to operate and navigate, and for those reasons as well we are working to streamline our processes.

We remain committed to the system-wide improvements that allow us to maintain our effectiveness in protecting children, families, victims, and other vulnerable people in Arizona.

As we move forward, we will also focus on ensuring that lawyers meet the highest standards and providing a system of lawyer accountability that is swift, fair, and cost-effective.

I hope that when our descendants celebrate Arizona's bicentennial, they will look back and see a justice system that evolved to respond to challenges, while never straying from its focus on ensuring justice.

Rebecca White Berch  
Chief Justice

# Justice 20|20

## *A Vision for the Future of the Arizona Judicial Branch*

**Goal 1:** Strengthening the Administration of Justice

**Goal 2:** Maintaining a Professional Workforce and Improving Operational Efficiencies

**Goal 3:** Improving Communications

**Goal 4:** Protecting Children, Families, and Communities

**Goal 5:** Improving the Legal Profession



1888 \*  
Gila County Courthouse



1892  
Sarah Herring Sorin  
Arizona's First Woman Lawyer



1900 \*  
Cochise County Courthouse

\*Dates listed reflect the photo date, not the completion or dedication date.

**The fundamental role of the court system is to provide fair and impartial justice. Our government is one of laws and can function only if the public respects both the laws and the courts that administer them. This strategic agenda sets forth five goals to guide the courts.**

## Goal 1: Strengthening the Administration of Justice

The Arizona Judiciary is committed to improving the administration of justice. Every person has the right to a prompt, fair, and impartial hearing. The pursuit of justice thus requires that cases be heard in a timely manner and processed efficiently. To accomplish this goal, the courts require effective case processing and efficient management of information and resources. In this era of dwindling resources, the Arizona judicial system must review and modernize operations and policies to ensure that public resources are used effectively, efficiently, and accountably.

### 1A Using Technology Effectively

As case filings increase and the public demand for information soars, the judiciary must use innovative technology to enhance operations. The objective is not simply to adopt new technology for its own sake, but to solve business-process problems, provide prompt, reliable information to decision makers, and improve service to the public.



1905 \*

Maricopa County Courthouse



1912

Last Territorial Supreme Court



February 14, 1912  
Arizona Statehood



1912

First Arizona Supreme Court  
Alfred Franklin,  
Donald L. Cunningham, and  
Henry D. Ross

## Action Plan

- Modernize to improve court processes and information gathering, tracking, and sharing through implementation of case management systems in
  - Juvenile Court: JOLTSaz,
  - Limited Jurisdiction Court: AJACS, and
  - General Jurisdiction Court: AJACS.
- Modernize the methods for producing timely records of court proceedings.
- Expand use of eCitation to electronically transfer citation information from law enforcement to the courts.
- Improve efficiency of case processing through implementation of e-filing capabilities in all cases and in all courts.
- Provide judges the tools they need to operate in the digital court environment.
- Implement public access to courts through AZTurbo Court.
- Use technology to provide efficient access to court documents while ensuring the security of confidential information.

### 1B Simplifying and Enhancing Systems

The legal system can be intimidating and its complexity can make navigation difficult for victims, witnesses, and litigants not represented by counsel. Simplifying the rules for less complex cases and streamlining case management processes can help make court proceedings understandable and should result in greater public trust and confidence in the system.

# A Vision for the Future of the Arizona Judicial Branch

## Action Plan

- Streamline case processing by
  - Developing new rules for processing guardianships,
  - Allowing for plea by mail or via the internet for minor criminal traffic cases, petty offenses, and some class 3 misdemeanor cases, while ensuring crime victims' rights,
  - Developing separate, simplified rules for civil cases in justice courts, and
  - Applying case management procedures to misdemeanor cases to expedite case dispositions.
- Review Supreme Court case processing to identify greater efficiencies.
- Produce an expanded index of court rules to enhance usability for court employees and the public.
- Create a searchable “opinions” database for judges.
- Establish a committee to review the Federal Rules of Evidence and Civil Procedure and to conform the Arizona Rules of Procedure and Evidence if appropriate.
- Review methods of rotating and training judges for new assignments.
- Expand the use of less costly, more efficient trial alternative processes, such as arbitration, mediation, and mini-trials.

## 1C Improving Public Access, Transparency, and Accountability

Public confidence in the courts is predicated, in part, on transparency of processes, access to reliable information, and timely resolution of disputes. In this era of “on demand” information, the public expects instant access to judicial

branch information. Case information and documents must be readily available. Courts are also acquiring the ability to allow electronic filing and access to court records.

To serve the growing number of non-English speaking members of the public, information about court processes and procedures must be provided in languages other than English, and the number of available, qualified interpreters must be increased.

## Action Plan

- Revise the Supreme Court Rules governing public access to court records:
  - Ensure transparency and full access, and
  - Be vigilant in protecting confidential information.
- Continue implementing the Court Performance Measures.
- Translate the Guide to Arizona Courts, the Handbook on Dependency Cases, and other informational pamphlets and brochures into Spanish and other languages and make them available to the public through the Supreme Court’s Website.
- Assist self-represented litigants by
  - Implementing intelligent e-filing, and
  - Providing online video presentations describing how to access the courts.
- Enhance the abilities and expand the availability of qualified language interpreters for non-English speaking participants in the justice system.



1914

First Women Elected as Justices of the Peace Yuma County  
Nellie T. Bush (pictured) and Emeline Ferguson



1920 \*

Pima County Courthouse



1930 \*

Coconino County Courthouse



1940 \*

Pinal County Courthouse

## Action Plan

- Enhance training for judges and court employees.
- Develop court leaders:
  - Implement the revised Court Management Program and Fellowship Certification Program, and
  - Revive the Court Leadership Institute of Arizona.
- Develop a training program for limited jurisdiction court supervisors.
- Develop an ongoing training program that provides court employees with the knowledge necessary to properly process cases and to operate the case, document, and financial management systems.
- Expand cultural awareness and sensitivity training for judges, court staff, probation officers, and volunteers.
- Adopt an updated Employee Code of Conduct.
- Modernize the current probation academy curriculum.
- Introduce and instill evidence-based principles.
- Study the feasibility of a middle-management program for probation officers.
- Increase the flexibility, frequency, and cost effectiveness of training:
  - Form partnerships with universities and colleges, and
  - Develop distance-learning technologies.

Maintaining a professional workforce and improving operational efficiencies are essential to achieving excellence. Judicial Branch leadership must continuously examine and improve not only the systems, processes, and procedures used to deliver justice to Arizonans, but also the competency and professionalism of those who do the courts' work. The courts value and encourage diversity and treat all people with courtesy, respect, fairness, and dignity.

## 2A Maintaining a Professional Workforce

The Judicial Branch must continue the professional development of judges and court employees to ensure that they adhere to the highest standards of competence, conduct, integrity, professionalism, and accountability. Arizona's robust ethnic and cultural diversity require that the courts and court employees be culturally aware. The courts must strive for a justice system in Arizona that is free from actual or perceived bias of any kind.



# A Vision for the Future of the Arizona Judicial Branch

## 2B Improving Operational Efficiencies

One of the most effective ways to ensure justice free from political influence is to have a consistent and reliable source of funding. The economic downturn has resulted in increased case filings, just as the resources available to the courts are diminishing. The loss of resources poses new and extraordinary challenges as courts strive to preserve fundamental rights and continue to perform statutory and constitutional duties.

The physical environment in which court services are provided must be free from threats to safety, and courts must be prepared to continue or resume operations in the event of disasters and epidemics.

- Develop a communications network for security personnel,
- Provide additional training to court security personnel and explore the benefits of a court security certification program,
- Assist in developing a safety contingency plan for courts that do not have regular security staff, and
- Survey and review the current status of security in probation offices.
- Encourage all court operations, construction, and technology to be as energy efficient, environmentally friendly, and sustainable as possible. Look for opportunities to reduce overall energy costs.

## Action Plan

- Explore methods to provide more consistent, stable funding for the court system to offset economic ups and downs:
  - Hold a summit to consider reliable funding sources, and
  - Explore alternative methods for funding court facilities and operations.
- Improve and enhance security in the courts and probation offices to protect the public, witnesses, victims, jurors, and court personnel:
  - Update “continuity of operations” plans,



1959  
Raul H. Castro  
First Hispanic Judge  
Elected to  
Superior Court in Pima County



1960  
Modern Courts Amendment  
Passes



1964  
Arizona Legislature Establishes  
Court of Appeals



## Goal 3: Improving Communications

Public confidence in the judicial system is fostered by understanding the work of the courts. In recent years, the Arizona Judiciary has increased its efforts to educate the public through seminars, outreach programs, and publications. As the public comes to rely on technology to conduct business and obtain information, the Judicial Branch must continue to adapt how it interacts and communicates with the public.

Although the method of delivery is important, the content of communications is more so. Court communications must convey timely, relevant, and meaningful information to court system employees and volunteers, members of the public attempting to access the courts, justice system partners working in collaboration with the courts, and funding entities allocating scarce resources. In every circumstance, success depends upon timely communication of clear, concise information.

### 3A With the Public

Online resources, such as web pages and social networking tools, are shaping how members of the public interact with their communities, elected officials, and government. Courts must develop and deploy a communication strategy that appropriately incorporates these new technologies.

#### Action Plan

- Employ technology to enhance communications within the courts and with the public:
  - Redesign and update the Supreme Court's Website,
  - Consider use of new social networking tools, and
  - Increase use of video conferencing, webinars, internet meetings, and webcasts.
- Educate the public and key stakeholder groups on the importance of the rule of law and impartial, high quality courts:
  - Produce a statewide Law Day program,
  - Maintain Law for Seniors and Law for Kids, and produce similar programs, and
  - Maintain and help implement civic education programs such as "We the People."
- Enhance communication with minority and local bar associations and communities.
- Identify opportunities to enhance understanding of the role of the courts and Judicial Performance Review.



Lorna Lockwood  
Nation's First Woman Chief Justice  
Arizona Supreme Court

1965



Hayzel B. Daniels  
First African-American Judge  
Phoenix Municipal Court

## 3B With Other Branches of Government and Justice System Partners

Clear and effective communication with other branches of government is essential to the work and success of the courts. The Judicial Branch must also communicate and coordinate with key stakeholders to enhance their understanding of the Judicial Branch's responsibilities and to assist in carrying out Judicial Branch functions. The Court seeks to improve business relations and promote new partnerships.

### Action Plan

- Maintain and improve communications with other branches of government, communities, agencies, and stakeholders.
- Seek opportunities to work with local and national bar associations, legal services organizations, and other community organizations to partner on appropriate projects.

# Justice 2020



1966

*Miranda v. Arizona*  
U.S. Supreme Court Rules  
that "Miranda Warnings" must be given  
before Defendants' In-Custody  
Statements may be used in Court

*In re Gault*  
Arizona Case Leads to  
U.S. Supreme Court Ruling  
Ensuring Due Process Rights  
for Juveniles

## Goal 4: Protecting Children, Families, and Communities

The removal of an abused or neglected child from the parents' home and the termination of parental rights involve significant government intrusions into the family and represent a significant use of the court's authority. For such cases, all parties must be assured prompt access to courts and due process. The judicial system must consider the rights of the parents and the safety and well-being of the child or children.

On the other end of the age spectrum, the latest estimates from the U.S. Census Bureau indicate that nearly one-quarter of Arizona's population is at least 55 years of age. The ramifications of an aging population on the Judicial Branch include increased filings in the areas of guardianship, conservatorship, elder fraud, and physical abuse.

Although significant strides have been made to ensure that fiduciaries are held accountable for the services they provide to their vulnerable clients, much remains to be done to protect our seniors and other vulnerable persons.

Holding those convicted of crimes accountable and reducing their likelihood of re-offending are central to protecting Arizona's communities. Evidence-based sentencing relies on a set of tools designed to offer judicial officials objective, scientific research about criminal behavior to assist them when making probation decisions. Coordinating objective data with the risk level of each probationer allows the judicial officer to tailor a term of probation and supervision that will achieve greater levels of success in rehabilitation and preventing recidivism. In the criminal process, we must also help ensure that victims are afforded the full panoply of rights available to them.

### 4A Protecting Vulnerable Children and Families

Reforms implemented within the last several years to protect children, families, and vulnerable persons in Arizona must continue to receive priority.



1970  
Commission on  
Judicial Qualifications  
is Established



1974  
Merit Selection of Judges  
is Approved by the Voters



1975  
William H. Rehnquist  
First Arizona Justice  
U.S. Supreme Court



1975  
Mary M. Schroeder  
First Woman Judge  
Court of Appeals

## Action Plan

- Ensure prompt dependency and severance trials and appeals.
- Participate in the national effort to collect data and determine the issues affecting the elderly.
- Review the proposed national reporting standards for abused and neglected children and their families to determine standards for Arizona.
- Improve legal representation in cases involving abuse, neglect, delinquency, and dependency:
  - Ensure that court volunteers who work with children and who make recommendations to the court are trained in core competencies, and
  - Consider adopting and implementing dependency attorney standards.
- Provide continuing education to the judiciary on the impact of child abuse and neglect.
- Respect the unique demographics and needs of children in the dependency system by striving to diversify the U.S. Supreme Court Rules to serve the First Hispanic Judge in the Court of Appeals.
- Examine suppression of evidence guidelines and determine which guidelines should be applied in Arizona courts. Truthful Lawyer Advertising Violates the First Amendment
- Review the child support guidelines and implement changes approved by the Arizona Judicial Council.
- Review the current processing of domestic violence cases and recommend improvements.

- Hold a statewide domestic violence prevention training summit and develop distance learning training modules on relevant domestic violence topics.
- Develop a training manual for court staff who process domestic violence cases.

## 4B Protecting Communities

Provide a balanced approach to probation that holds probationers accountable, keeps our communities safe, and provides treatment and rehabilitative services to offenders.

## Action Plan

- Reduce revocations by striving for successful terminations from probation.
- Implement Project SAFE (Swift, Accountable, Fair Enforcement).
- Employ evidence-based practices to
  - Improve the revocation process, evidence-based practices, and field operations.
  - Complete a statewide rollout of all evidence-based practice codes, and
  - Establish a process to evaluate adult treatment programs.
- Implement the juvenile detention center certification and monitoring process.
- Evaluate the effectiveness of therapeutic courts.



## Goal 5: Improving the Legal Profession

The Arizona Supreme Court regulates the practice of law, ensuring that Arizona attorneys meet the highest standards of professionalism and comply with rules designed to protect the public. During the past decade, the Arizona Supreme Court and the State Bar of Arizona have worked to improve the attorney discipline system. The Court wishes to maintain a fair and impartial discipline system, while decreasing the time and cost to process discipline cases, especially those that proceed to formal charges. Although progress has been made, more can be done to reduce processing times without compromising fairness.

The Court's authority to regulate the practice of law also includes establishing qualifications for admission to practice law in Arizona. New and amended rules of the Supreme Court have modernized Arizona's admission process by allowing "admission on motion" for lawyers who meet Arizona character and fitness standards and are licensed in other states that have substantially similar admission requirements.

Additionally, the Court, through its Committee on Examinations, is identifying opportunities to participate in a uniform bar examination. UBE scores will be portable to other states that give the UBE. The Court is

also studying ways to streamline the character and fitness application and reference-check procedure for Arizona State Bar applicants. In addition, the Court is examining the feasibility of putting online the entire application process for admission to the Arizona State Bar.

### 5A Holding Lawyers Accountable

The Disciplinary Commission is a regulatory body to which citizens may bring their complaints about lawyer conduct. The transparency and continued improvement of this system is important to maintain public trust in the legal profession.

#### Action Plan

- Improve the lawyer discipline system to provide a swift, fair, and cost-effective process that protects the public and preserves the professionalism of the practice of law, while affording due process to those charged:
  - Establish a task force to study the attorney discipline system,
  - Submit the task force report and recommendations to the Supreme Court,
  - Submit a rule-change petition for any needed structural or procedural changes, and
  - Implement any system changes approved by the Supreme Court.
- Communicate to the public and the legal community the outcome of any process changes.



1988  
Frank X. Gordon  
Presides over the  
Impeachment Trial of  
Governor Evan Mecham



1990  
Arizona Courts Building  
Completed



1992  
"Zlaket Rules" Instituted,  
Limiting and Expediting Discovery  
and Encouraging Alternative  
Dispute Resolution



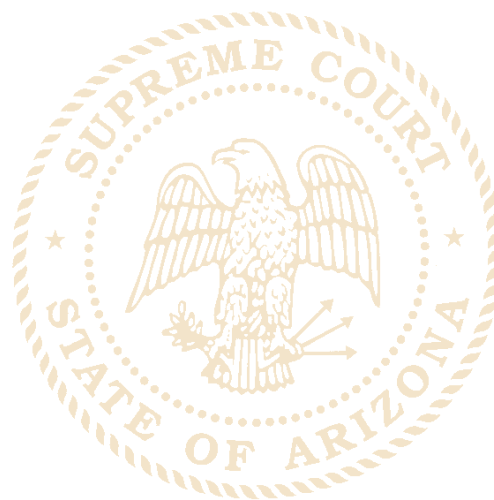
1995  
Cecil B. Patterson  
First African-American Judge  
Court of Appeals

# A Vision for the Future of the Arizona Judicial Branch

## 5B Modernizing the Attorney Admission System

The Arizona Supreme Court governs admission to the practice of law in Arizona and authorizes exceptions to the standard examination and admission process. Modernizing the admission process by allowing admission on motion is a national trend that recognizes that the practice of law is no longer confined to the boundaries of one state. Admission on motion will make admission to the practice of law in Arizona more efficient, while ensuring that the public is protected against those attorneys who do not meet the qualifications for practice in Arizona.

As the practice of law becomes more national and transnational, state supreme courts are moving toward adopting a uniform bar examination, which will allow properly qualified attorneys to transfer their examination scores to other qualifying U.S. jurisdictions. Arizona is among the states considering the uniform bar examination.



### Action Plan

- Implement admission on motion.
- Streamline the character and fitness process.
- Implement an online bar application process.
- Explore adoption of the uniform bar examination.
- Examine how best to regulate the multijurisdictional and transnational practice of law.



2002

*Ring v. Arizona*

U.S. Supreme Court Requires Jury to Find Facts Making Defendants Eligible for Death Sentence



2005

Roxanne K. Song Ong  
First Asian-American Woman  
Chief Presiding Judge  
Phoenix Municipal Court



2006

Sandra Day O'Connor  
Justice, U.S. Supreme Court  
Retires



2009

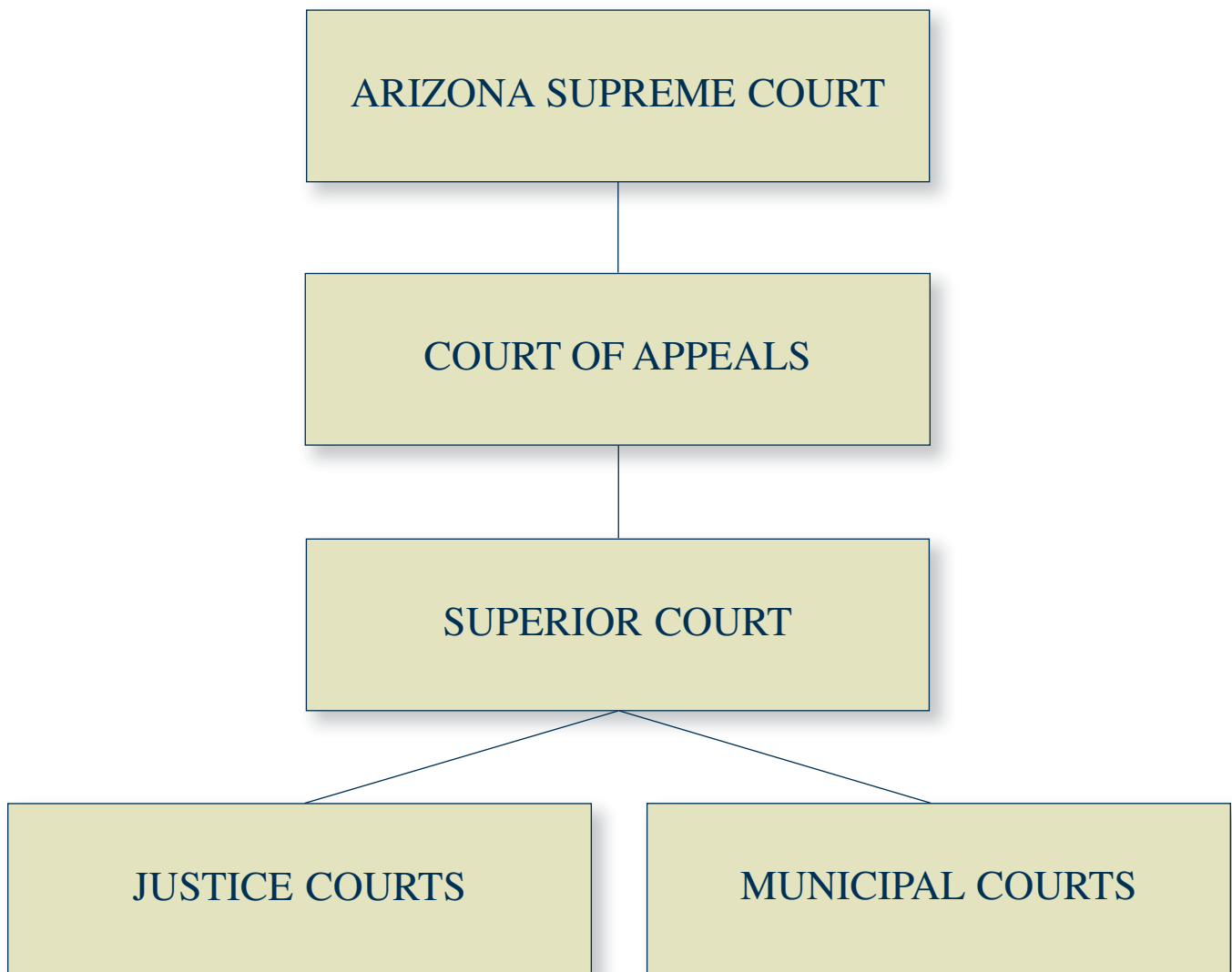
*Arizona v. Gant*

U.S. Supreme Court Narrows Circumstances When Police may Conduct a Warrantless Car Search Upon Arrest of its Occupants



## ARIZONA COURT STRUCTURE

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# WHERE LAW ENDS, TYRANNY BEGINS.

William Pitt, Earl of Chatham (1770)

## **Strategic Agenda** Adopted by the Arizona Judicial Council December 16, 2009

*The Arizona Supreme Court would like to thank  
the Arizona Judicial Council,  
the State Bar of Arizona, and  
Court Leadership, Staff, and Citizens  
for their contributions to the development of this Strategic Agenda.*

*In addition, the Arizona Supreme Court would like to recognize  
the State Bar of Arizona  
for its assistance in publishing these materials.*

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Arizona Supreme Court  
Administrative Office of the Courts

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## Agency Summary

### JUDICIAL SYSTEM

Hon. Rebecca White Berch, Chief Justice

Phone: (602) 452-3307

See Individual Programs

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
➤ ADJUDICATION	4,416.0	4,422.3	4,453.1
➤ ADMINISTRATIVE SUPERVISION (COURTS AND AOC SUPPORT)	6,186.1	5,502.3	5,532.8
➤ REGULATORY ACTIVITIES	2,705.5	3,152.6	3,152.6
➤ COURT ASSISTANCE	42,860.4	54,579.3	55,579.3
➤ FAMILY SERVICES	6,110.1	6,807.4	7,000.4
➤ JUDICIAL NOMINATIONS AND PERFORMANCE REVIEW	400.4	417.2	417.2
➤ COMMISSION ON JUDICIAL CONDUCT	507.1	506.8	506.8
➤ JUDICIAL COMPENSATION	8,144.2	7,585.1	8,346.1
➤ ADULT PROBATION SERVICES	29,836.0	30,872.2	30,872.2
➤ JUVENILE PROBATION SERVICES	47,469.1	52,886.0	52,886.0
➤ COURT OF APPEALS DIVISION I	9,937.1	9,640.0	9,763.5
➤ COURT OF APPEALS DIVISION II	4,330.7	4,177.6	4,269.2
➤ ADULT AND JUVENILE DRUG COURT	1,231.8	1,231.8	1,231.8
<b>Agency Total:</b>	<b>164,134.5</b>	<b>181,780.6</b>	<b>184,011.0</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	109,890.5	108,596.0	109,826.4
Other Appropriated Funds	32,856.7	39,691.0	40,691.0
Other Non Appropriated Funds	21,387.3	33,493.6	33,493.6
<b>Total Funding</b>	<b>164,134.5</b>	<b>181,780.6</b>	<b>184,011.0</b>
<b>FTE Positions</b>	<b>509.5</b>	<b>508.8</b>	<b>509.8</b>

**Program Summary**

ADJUDICATION

Kevin Kluge, Chief Financial Officer

Phone: (602) 452-3395

AZ Constitution, Article VI, Section 2; A.R.S. § 12-101

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	4,416.0	4,422.3	4,453.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,416.0</b>	<b>4,422.3</b>	<b>4,453.1</b>
<b>FTE Positions</b>	<b>40.5</b>	<b>39.5</b>	<b>39.5</b>

- ◆ **Goal 1** To provide fair and expeditious determination of cases. (Supreme Court activity is difficult to predict; estimates are based on FY 2008 activity level. Cases pending are as of 6/30.)

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
All cases on file	1,412	1,400	1,501	1,501	1,501
All cases terminated	1,022	1,100	1,080	1,080	1,080
Cases pending	390	300	421	421	421
New case filings	1,018	1,100	1,109	1,109	1,109
State Bar matters on file	137	150	63	63	63
State Bar matters terminated	135	150	53	53	53
State Bar activity reports	1,790	1,500	2,018	2,018	2,018
All other cases on file	17	17	22	22	22
All other cases terminated	14	10	18	18	18

**Program Summary**

**ADMINISTRATIVE SUPERVISION (COURTS AND AOC SUPPORT)**

Dave Byers, Administrative Director

Phone: (602) 452-3307

AZ Constitution, Article VI, Sections 3, 7

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	6,186.1	5,502.3	5,532.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>6,186.1</b>	<b>5,502.3</b>	<b>5,532.8</b>
<b>FTE Positions</b>	<b>42.5</b>	<b>43.4</b>	<b>43.4</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Operational reviews completed	6	20	18	20	20
Average days to complete an operational review report	454	180	329	180	180
Average reviews per specialist	1.5	4	4.5	4	4

- ◆ **Goal 2** To ensure that automation services are provided that support statewide programs and systems.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Internal and external users connected to the Arizona Judicial Information Network	7,515	7,500	8,867	8,900	8,900
Infrastructure cost per user (dollars)	757	786	734	950	951
Uptime of network availability during normal operating hours (percentage)	99	99	99	99	99
Uptime of systems availability during normal operating hours (percentage)	99	99	99	99	99
% of courts with automated accounting and case management systems	100	100	100	100	100
% of courts using COT approved and/or standard case management systems	97	97	97	97	97
% of users with AJIN access (percentage)	100	100	100	100	100

- ◆ **Goal 3** To provide accurate, prompt and professional responses to questions or problems concerning court operations, procedures and/or other technological issues received by the AOC Support Center.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Total Number of Questions/Issues Received	30,927	35,000	53,368	55,000	55,000
Number of Questions/Issues Received - Urgent Priority	20	150	74	100	100
Percent of Questions/Issues Resolved Within 1 Business Day - Urgent Priority	85	85	86	86	86
Number of Questions/Issues Received - High Priority	639	400	880	900	900

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of Questions/Issues Resolved Within 2 Business Days - High Priority	75	85	76	80	80
Number of Questions/Issues Received - Medium Priority	15,075	20,000	28,759	30,000	30,000
Percent of Questions/Issues Resolved Within 3 Business Days - Medium Priority	88	85	91	95	95

**Program Summary**

REGULATORY ACTIVITIES

Mark Wilson, Division Director

Phone: (602) 452-3362

A.R.S. §§ 32-4001; 28-3391 to 28-3399; 14-5651; 8-134

**This Program Contains the following Subprograms:**

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

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	898.3	1,132.3	1,132.3
Other Non Appropriated Funds	1,807.2	2,020.3	2,020.3
<b>Total Funding</b>	<b>2,705.5</b>	<b>3,152.6</b>	<b>3,152.6</b>
<b>FTE Positions</b>	<b>33.5</b>	<b>33.5</b>	<b>33.5</b>

**Subprogram Summary**

COURT REPORTERS

Linda Grau, Program Manager

Phone: (602) 452-3888

A.R.S. §§ 32-4001 et. seq.

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	1,807.2	2,020.3	2,020.3
<b>Total Funding</b>	<b>1,807.2</b>	<b>2,020.3</b>	<b>2,020.3</b>
<b>FTE Positions</b>	<b>19.8</b>	<b>19.8</b>	<b>19.8</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Applications received (new and renewal)	20	470	462	20	462
Certifications granted	18	460	461	20	461
Certifications denied	2	0	1	0	1
Average number of days from receipt of application to decision regarding certification	60	60	60	60	60
Number of certified reporters (end of year)	469	480	446	440	440

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Complaints received	12	10	1	10	10

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Complaints closed	9	10	14	10	15
Disciplinary action	6	1	2	3	2
Average number of days from receipt of complaint to resolution by dismissal or disciplinary action	303	180	581	600	300
Complaint closure rate (percent)	75	98	1400	100	150
Percent of cases closed within 22 month standard	100	98	71	60	98

**Subprogram Summary**

CONFIDENTIAL INTERMEDIARY

Linda Grau, Program Manager  
Phone: (602) 452-3888  
A.R.S. § 8-134

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	154.1	170.0	170.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>154.1</b>	<b>170.0</b>	<b>170.0</b>
<b>FTE Positions</b>	<b>2.5</b>	<b>2.5</b>	<b>2.5</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of applicants for certification	0	10	0	10	10
Average number of days from receipt of complete application requirements to decision regarding certification	NA	90	NA	90	90

**Explanation:** No applications received

Number of individuals granted certification	NA	2	0	10	10
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**Explanation:** No applications received

Number of individuals denied certification	NA	0	0	0	0
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**Explanation:** No applications received

CIs certified (end of year)	32	30	32	30	30
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◆ **Goal 2** To promptly process and review applications for biennial renewal of certification. Pursuant to ACJA 7-203, confidential intermediaries renew every other year, in October, of the even-numbered year.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of applications received	33	NA	NA	33	NA
Number of individuals granted recertification	33	NA	NA	30	NA
Number of individuals denied recertification	0	NA	NA	0	NA
Number of days from submission of complete renewal application to decision regarding renewal	40	NA	NA	90	NA

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of individuals receiving initial training	0	10	0	15	10

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Cases closed	73	60	45	45	45

**Explanation:** As of 1/1/08, CI's no longer required to get permission to open a case

◆ **Goal 5** To investigate and process complaints against certified confidential intermediaries to ensure compliance with Arizona law and administrative orders and rules adopted by the Arizona Supreme Court.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Complaints received	0	1	0	0	0
Complaints closed	NA	1	NA	0	0
Disciplinary action	NA	0	0	0	0
Number of days from receipt of complaint to resolution by dismissal or disciplinary action	NA	120	NA	0	NA
Complaint case closure rate (percent)	NA	100	NA	0	NA
Percent of cases closed within standard of 22 months	NA	100	NA	0	NA

**Subprogram Summary**

PRIVATE FIDUCIARY

Anne Hunter, Program Manager  
Phone: (602) 452-3415  
A.R.S. § 14-5651

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	248.2	310.5	310.5
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>248.2</b>	<b>310.5</b>	<b>310.5</b>
<b>FTE Positions</b>	<b>3.6</b>	<b>3.6</b>	<b>3.6</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of applications received	33	20	32	30	30
Number of individuals licensed	23	19	29	30	30
Number of applications denied	2	1	1	1	1
Number of days from receipt of complete application requirements to decision regarding licensure	60	60	60	60	60
Number of fiduciaries licensed at end of year	299	320	285	249	249

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



\*Fiduciaries renew licensure every other year, in the even numbered year. Therefore, there is no renewal in FY11 or FY13.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of applications received	0	249	282	NA	280
Number of individuals granted recertification	0	245	273	NA	270
Number of applications denied recertification	0	4	0	NA	1
Number of days from submission of complete renewal application to decision regarding renewal	0	60	60	NA	60

◆ **Goal 3** To receive complaints, conduct impartial investigations and take appropriate action, ranging from dismissal of complaint to license revocation, in accordance with Arizona Revised Statutes and the code of conduct, administrative rules and orders adopted by the Arizona Supreme Court.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of complaints received	17	23	14	20	20
Number of complaints closed	8	24	8	20	20
Number of disciplinary actions	2	8	1	5	5
Number of days from receipt of complaint to resolution by dismissal or disciplinary action	377	250	517	600	350
Complaint case closure rate (percent)	47	100	57	100	100
Percent of complaints resolved within 22 month standard	69	98	75	60	98

◆ **Goal 4** To conduct audits of licensed fiduciaries and their businesses to insure compliance with statutes, administrative code sections and court orders.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of notice of engagement letters	3	3	11	9	9
Fieldwork completed	3	3	11	9	9
Corrective Action Plans in Place	3	3	1	3	3
Number of final reports completed	2	3	9	9	9

**Subprogram Summary**

DEFENSIVE DRIVING SCHOOL REGULATION

Anne Hunter, Program Manager  
 Phone: (602) 452-3415  
 A.R.S. §§ 28-3391 to 28-3399

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	496.0	651.8	651.8
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>496.0</b>	<b>651.8</b>	<b>651.8</b>
<b>FTE Positions</b>	<b>7.6</b>	<b>7.6</b>	<b>7.6</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Operational reviews of schools completed	3	5	1	5	5

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of instructors rated that are in compliance with Arizona Code of Judicial Administration (ACJA 7-205) and Statutes.	97	95	96	95	95
Instructors monitored	68	130	44	50	50
◆ <b>Goal 2</b> To ensure the statewide database provides accurate and timely information for eligibility and fee payment verification.					
<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Average days to complete error change requests from schools	1	1	1	1	1
Percent of student completions reported by schools on time	98.01	95	98	98	98
Court information change requests processed	6,892	5,000	303	303	303
◆ <b>Goal 3</b> To provide continuing training opportunities for instructors to improve the quality of the defensive driving classes.					
<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
New instructors completing training	23	40	0	NA	NA
Current instructors receiving ongoing training	168	215	124	120	120
Percent of instructors indicating training programs are responsive to their needs	99	98	100	98	98
◆ <b>Goal 4</b> 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.					
<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of bi-monthly school reports/fee payments reconciled monthly	100	98	100	98	98
◆ <b>Goal 5</b> To investigate and process complaints against certified defensive driving schools and instructors to ensure compliance with Arizona law and administrative orders and rules adopted by the Arizona Supreme Court.					
<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Complaints received	14	15	7	10	10
Complaints closed	14	15	9	15	15
Complaint case clearance rate (percent)	100	100	129	150	150
Disciplinary actions	5	2	1	3	3
Average number of days from receipt of complaint to closure	310	250	383	300	200
Percentage of complaint cases closed within 22 month standard	100	98	88	60	98
◆ <b>Goal 6</b> To promptly process and review applications for certification.					
<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Applications received	21	186	41	20	10
Certifications granted	28	181	32	20	10
Certifications denied	2	5	2	5	0
Average number of days from receipt of complete application to decision regarding certification (Instructors)	60	60	60	60	60
Number of certified schools (end of year)	40	29	55	70	80



**Program Summary**

COURT ASSISTANCE

Kevin Kluge, Chief Financial Officer  
 Phone: (602) 452-3395  
 See Individual Programs

**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

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	928.6	947.5	947.5
Other Appropriated Funds	24,906.6	28,199.4	29,199.4
Other Non Appropriated Funds	17,025.2	25,432.4	25,432.4
<b>Total Funding</b>	<b>42,860.4</b>	<b>54,579.3</b>	<b>55,579.3</b>
<b>FTE Positions</b>	<b>68.0</b>	<b>67.7</b>	<b>67.7</b>

**Subprogram Summary**

JUDICIAL EDUCATION

Jeffrey Schrade, Division Director  
 Phone: (602) 452-3000  
 ACJA 1-302, 1-108

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	158.1	119.3	119.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>158.1</b>	<b>119.3</b>	<b>119.3</b>
<b>FTE Positions</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>

◆ **Goal 1** To provide continuing education to all members of the judiciary.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of sessions offered to judges (limited, general and appellate jurisdictions)	246	225	241	225	225

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of sessions offered to probation, detention and surveillance officers	410	450	734	500	500
Number of sessions offered to judicial staff	210	200	269	200	200
Number of judges participating in Education Services Division sponsored programs	988	1,000	961	1,000	1,000

**Explanation:** These are duplicated counts of judges, probation staff and judicial staff.

Number of probation, detention and surveillance officers participating Education Services Division sponsored programs	1,102	1,000	1,081	1,000	1,000
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**Explanation:** Probation participant numbers jumped significantly due to addition of Defensive Tactics, Firearms Training, Officer Safety Train the Trainer, and Faculty Skill Development for Officer Safety Instructors statewide.

Number of judicial staff participating in Education Services Division sponsored programs	1,713	1,800	1,157	1,800	1,800
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◆ **Goal 2** To assure a comprehensive system of judicial education for all categories of personnel

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of educational hours offered to judges (limited general and appellate jurisdictions)	350	375	413	375	375
Number of educational hours offered to probation, detention and surveillance officers	1,157	1,250	1,808	1,250	1,250
Number of educational hours offered to judicial staff	333	360	510	360	360
Percent of judges in compliance with annual continuing education mandate	99	100	99.6	100	100
Percent of probation, detention and surveillance officers in compliance with annual continuing education mandate	98	100	98	100	100
Percent of judicial staff in compliance with annual continuing education mandate	99	100	99.6	100	100

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of faculty used to train judges	355	300	322	300	300
Number of faculty used to train probation, detention and surveillance officers	355	355	475	355	355
Number of faculty used to train judicial staff	228	200	203	200	200
Percent of total faculty used paid for services to train judges	5	10	6	10	10
Percent of total faculty used paid for services to train probation, detention and surveillance officers	5	10	3	10	10
Percent of total faculty used paid for services to train judicial staff	3	10	4	10	10
Cost per participant hours from total budget to train judges	16	20	12	20	20

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Cost per participant hours from total budget to train probation, detention and surveillance officers	8	15	6	15	15
Cost per participant hours from total budget to train judicial staff	8	15	3	15	15

- ◆ **Goal 4** To assure the accessibility of judicial education programs through various delivery mechanisms, including seminars/workshops, conferences, residential programs, broadcasts, computer-based and other distance learning formats

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Total number of seminars/workshops	51	50	51	50	50
Total number of conferences	6	6	7	6	6
Total number of residential programs	32	24	55	30	30
Total number of broadcasts	4	5	15	5	5
Total number of computer based programs	4,125	4,250	2,761	2,000	2,500
Total number of publications	70,137	71,000	68,685	72,000	73,000
Total number of WENDELL website "hits"	52,757	50,000	99,567	65,000	75,000
Total number of materials checked out of resource library	41	100	0	100	100

#### Subprogram Summary

#### DOMESTIC RELATIONS

Theresa Barrett, Program Manager

Phone: (602) 452-3364

A.R.S. § 25-323.01

Funding:	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
General Funds	582.6	640.3	640.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>582.6</b>	<b>640.3</b>	<b>640.3</b>
<b>FTE Positions</b>	<b>4.9</b>	<b>4.9</b>	<b>4.9</b>

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

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of time minutes were provided in 10 days & notice at least 24 hours prior to meeting	100	100	100	100	100
Percent of annual committee reports completed on schedule	NA	NA	NA	100	100

- ◆ **Goal 2** To provide timely and effective administrative and technical support to domestic relations education on children's issues program administrators, to review standards and evaluate statewide domestic relations education on children's issues programs in accordance with statute and Supreme Court administrative order.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percentage of annual reports received and analyzed from prior fiscal year	100	100	100	100	100

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of alternative format programs reviewed.	2	4	2	2	2

- ◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of time minutes were provided in 20 days & notice 48 hours prior to meeting	100	100	100	100	100

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
State and local contacts monitored and evaluated for proceedings and services following statutes and court rules.	61	50	55	50	50

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
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	100
Percent of conducting at least one bi-annual statewide training conference specifically devoted to domestic violence issues	100	NA	NA	100	NA
Appropriate judicial officers and court personnel educated in policies and procedures that help counties effectively address the needs of domestic violence victims	1,332	300	239	700	200

**Subprogram Summary**

STATE GRAND JURY

Kevin Kluge, Chief Financial Officer  
 Phone: (602) 452-3395  
 A.R.S. § 21-428(B)

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	97.9	97.9	97.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	507.3	946.2	946.2
<b>Total Funding</b>	<b>605.2</b>	<b>1,044.1</b>	<b>1,044.1</b>
<b>FTE Positions</b>	<b>0.2</b>	<b>0.3</b>	<b>0.3</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Claims processed	8	8	6	8	8

**Subprogram Summary**

## POST CONVICTION RELIEF

Kevin Kluge, Chief Financial Officer  
 Phone: (602) 452-3395  
 A.R.S. § 13-4041

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	90.0	90.0	90.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>90.0</b>	<b>90.0</b>	<b>90.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Claims processed	15	20	18	20	20

**Subprogram Summary**

## JUDICIAL ASSISTANCE

Kevin Kluge, Chief Financial Officer  
 Phone: (602) 452-3395  
 AZ Const., Art. VI, Section 19, 20, A.R.S. §§ 12-143, 38-813

- ◆ **Goal 1** To provide reimbursement as required for judges pro tempore and retired judges called to serve in the superior and appellate courts of the state. <=Funding for this program has been eliminated through budget cuts.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Reimbursement provided	0	0	0	0	0

**Subprogram Summary**

## STATE AID TO THE COURTS

Amy Wood, Program Manager  
 Phone: (602) 452-3337  
 A.R.S. § 12-102.02

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,728.7	2,944.6	2,944.6
Other Non Appropriated Funds	13,571.2	21,990.6	21,990.6
<b>Total Funding</b>	<b>16,299.9</b>	<b>24,935.2</b>	<b>24,935.2</b>
<b>FTE Positions</b>	<b>40.4</b>	<b>40.0</b>	<b>40.0</b>

- ◆ **Goal 1** To reduce felony case processing delays to improve public protection and to provide swift, fair justice for victims and those accused of crimes. (Target is to have 90% of all felony cases processed within 100 days.)



- Performance Measure 1 for FY09 reflects 10 of the 15 Arizona counties including the 2 largest counties, Maricopa and Pima. The 5 counties that were unable to report within the time allotted are undergoing a period of transition related to a new court case management system.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of counties' criminal cases processed within the 100 day target	59	70	55	60	60
Percent of counties conducting criminal case processing improvement projects	80	100	80	100	80

**Subprogram Summary**

JUDICIAL COLLECTION ENHANCEMENT

Marcus Reinkensmeyer, Acting Division Director

Phone: (602) 452-3334

A.R.S. § 12-116

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	17,120.0	18,821.5	19,821.5
Other Non Appropriated Funds	684.6	703.6	703.6
<b>Total Funding</b>	<b>17,804.6</b>	<b>19,525.1</b>	<b>20,525.1</b>
<b>FTE Positions</b>	<b>13.9</b>	<b>13.9</b>	<b>13.9</b>

- ◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of annual increase in court revenue in prior fiscal year	7.4	7.0	-4.8	0	0
Difference in percentage change from previous fiscal year in court revenue collections and case filings	9.8	3.0	4.0	3.0	3.0

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of all of the courts that have automated case and cash management systems	100	100	100	100	100
Percent of annual increase in overall court dispositions at all court levels in prior fiscal year.	2.6	5.0	-6.5	-4.0	-3.0
Clearance rate (dispositions/filings) for all cases at all court levels in prior fiscal year.	1.07	1.03	1.04	1.03	1.03

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Mean cycle days receipt of request to court notification of approval/denial	11.76	13	9.45	12	12
Grant management budget as percent of total budget	1	1	1	1	1

**Subprogram Summary**

DEFENSIVE DRIVING

Marcus Reinskensmeyer, Acting Division Director  
 Phone: (602) 452-3334  
 A.R.S. § 28-493

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3,055.2	3,472.0	3,472.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>3,055.2</b>	<b>3,472.0</b>	<b>3,472.0</b>
<b>FTE Positions</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

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

Note: Program proposes deleting this goal and corresponding measure.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of courts with a uniform statewide automation system	81	81	81	81	82

**Subprogram Summary**

DRUG ENFORCEMENT

JL Doyle, Program Manager  
 Phone: (602) 452-3465  
 A.R.S. § 41-2402

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	2,099.3	1,608.2	1,608.2
<b>Total Funding</b>	<b>2,099.3</b>	<b>1,608.2</b>	<b>1,608.2</b>
<b>FTE Positions</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>

- ◆ **Goal 1** To enhance the ability of the courts and probation departments to process drug related cases more expediently and effectively.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Average days drug case processing	148	135	115	115	115
Percent of quarterly financial and progress reports submitted according to schedule	100	100	100	100	100
Cases that are over 361 days to disposition	1,422	1,200	1,265	1,200	1,150

**Subprogram Summary**

ALTERNATIVE DISPUTE REGULATION

Amy Wood, Program Manager  
 Phone: (602) 452-3337  
 A.R.S. § 12-135

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	162.8	183.8	183.8
<b>Total Funding</b>	<b>162.8</b>	<b>183.8</b>	<b>183.8</b>
<b>FTE Positions</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of volunteer mediators trained	123	180	132	128	128
Number of volunteer mediator training sessions held	10	15	9	10	10

**Subprogram Summary**

CASE PROCESSING ASSISTANCE

Amy Wood, Program Manager  
 Phone: (602) 452-3337  
 A.R.S. § 41-2401.(D)(8)

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	2,002.7	2,961.3	2,961.3
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>2,002.7</b>	<b>2,961.3</b>	<b>2,961.3</b>
<b>FTE Positions</b>	<b>2.9</b>	<b>2.9</b>	<b>2.9</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent growth in filings in prior fiscal year	-6.0	1.0	-11.4	-5	-5
Prior fiscal year clearance rate (dispositions/filings) of 1.00 or greater annually	.94	1.0	.938	.94	.94
Months for disposition of pending cases in prior fiscal year	5.3	14	8	8	8

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent growth in filings in prior fiscal year	-3.0	3.0	-4.11	-4	-4

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Prior fiscal year clearance rate (dispositions/filings) of 1.00 or greater annually	1.25	1.03	1.06	1.06	1.06
Months for disposition of pending cases in prior fiscal year	12	10	12	12	12

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Mean cycle days receipt of request to court notification of approval/denial	11.76	10	7.5	10	10
Grant management budget as percent of total budget	1	1.3	1.3	1.3	1.3

**Program Summary**

FAMILY SERVICES

Caroline Lutt-Owens, Director  
 Phone: (602) 452-3408  
 A.R.S. § 8-515.01

**This Program Contains the following Subprograms:**

- ▶ Foster Care Review Board
- ▶ Court Appointed Special Advocate
- ▶ Model Court - Court Improvement Project

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	3,791.4	3,881.6	4,074.6
Other Appropriated Funds	2,318.7	2,925.8	2,925.8
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>6,110.1</b>	<b>6,807.4</b>	<b>7,000.4</b>
<b>FTE Positions</b>	<b>39.5</b>	<b>39.5</b>	<b>39.5</b>

**Subprogram Summary**

FOSTER CARE REVIEW BOARD

Caroline Lutt-Owens, Director  
 Phone: (602) 452-3408  
 A.R.S. § 8-515.01

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	3,269.2	3,332.0	3,525.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>3,269.2</b>	<b>3,332.0</b>	<b>3,525.0</b>
<b>FTE Positions</b>	<b>34.0</b>	<b>34.0</b>	<b>34.0</b>

- ◆ **Goal 1** To ensure that each child in out-of-home placement, for 6 months or more, is reviewed by the FCRB at least once every 6 months and is making progress towards permanency.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Children eligible for review during the fiscal year	15,657	15,869	17,252	17,842	18,659
Number of child reviews held during the fiscal year	18,616	18,785	20,261	21,071	21,913
Total number of reviews conducted within the fiscal year	11,119	11,287	12,018	12,498	12,997
Percent of reviews during fiscal year for which the board found that progress was being made towards establishing permanency	73	72	72	73	73

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
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FTEs to support volunteers (Does not include Support Pool)	36.73	36.73	34.8	36.8	37.8
Number of active volunteers during the fiscal year	646	654	666	686	706
Average length of volunteer service during the fiscal year	5.86	5.14	5.00	5.77	5.77
Number of volunteers meeting or exceeding the yearly training requirement	362	393	356	397	420
Number of active Removal Review volunteers during the fiscal year	80	101	87	87	0
Number of Removal Review volunteers meeting or exceeding the yearly training requirement	13	26	27	0	0

◆ **Goal 3** To provide accurate information to families in a caring, respectful manner

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Hotline Calls	1,137	1,200	1,300	1,350	1,400

◆ **Goal 4** To increase public and agency awareness of the Parent Assistance Hotline

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Yellow Page referrals	5	10	2	2	0
Agency Referrals	129	125	183	155	240
Calls attributable to brochures (DES)	255	275	206	320	220
Calls attributable to other advertising	748	795	909	873	940

◆ **Goal 5** To ensure that each child who is removed from home receives a review of his or her removal

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Total number of Removal Reviews facilitated during the fiscal year	905	1,369	2,980	229	0
Total number of children reviewed by Removal Review Team during the fiscal year	1,590	2,419	5,253	413	0
Number of removals in which the majority of the Removal Review team did not agree with the removal	0	0	0	0	0

**Subprogram Summary**

COURT APPOINTED SPECIAL ADVOCATE

Leticia D'Amore, Program Manager  
 Phone: (602) 452-3583  
 A.R.S. § 8-522

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
General Funds	96.9	102.0	102.0
Other Appropriated Funds	2,318.7	2,925.8	2,925.8
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>2,415.6</b>	<b>3,027.8</b>	<b>3,027.8</b>
<b>FTE Positions</b>	<b>5.5</b>	<b>5.5</b>	<b>5.5</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Children eligible for CASA assignment during the year	15,657	15,869	17,252	16,195	16,990
Children with CASA assigned as of 6/30	1,162	1,183	1,229	1,290	1,354
Total Number of volunteers as of 6/30	713	963	812	862	895
Volunteers serving during the year	945	727	924	1,022	1,074
Number of Assigned CASAs as of 6/30	558	569	628	659	692
Number of volunteers during the year completing the required number of hours	478	501	603	633	665
Percent of number of volunteers serving during the year completing the required number of hours	51	52	74	77	81
Average number of in-service training hours volunteers received	18.53	18.53	22.68	22.82	28.35

- ◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of volunteer files reviewed	215	205	245	200	250
Percent of required items reviewed and found to be in compliance	98	97	88	90	92
Total number of case files reviewed	187	200	227	200	250

**Explanation:** Increased FY07 number is due to Maricopa County operational review.

Percent of required items reviewed and found to be in compliance	98	98	96	97	98
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#### Subprogram Summary

##### MODEL COURT - COURT IMPROVEMENT PROJECT

Rob Shelley, Program Coordinator  
Phone: (602) 452-3416  
A.R.S. § 8-824

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	425.3	447.6	447.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>425.3</b>	<b>447.6</b>	<b>447.6</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of petitions that met preliminary protective hearing requirements (within 5-7 days of removal)	80	82	77	79	82
Average number of days to adjudication	47	45	55	50	45

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of petitions for which a permanency hearing was completed within 12 months of removal	92	93	93	93	94

Program Summary					
JUDICIAL NOMINATIONS AND PERFORMANCE REVIEW					
Kevin Kluge, Division Director					
Phone: (602) 452-3395					
AZ Constitution, Article VI, Sections 36, 42					

Funding:	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
General Funds	400.4	417.2	417.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>400.4</b>	<b>417.2</b>	<b>417.2</b>
<b>FTE Positions</b>	<b>3.6</b>	<b>3.6</b>	<b>3.6</b>

- ◆ **Goal 1** To ensure the nominating commissions candidate submissions meet the constitutional requirements on considering the diversity of the state's or county's population and nominee submission time line.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Applications received from minorities and women as a percent of all applications	57	50	35	50	50
Nominations of minorities and women as a percent of all nominations	57	50	20	50	50
Percent of nomination lists submitted to the Governor within the 60 day constitutionally set time line	100	100	100	100	100

- ◆ **Goal 2** To efficiently meet their constitutional duties.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Cost per appellate court vacancy (dollars)	3,425	4,000	3,617	4,000	4,000
Cost per trial court vacancy (dollars)	820	1,000	960	1,000	1,000

- ◆ **Goal 3** To provide survey forms during each survey period for distribution to individuals who interact with a merit/retention judge.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Survey forms distributed	9,870	62,000	66,709	9,500	62,000
Survey forms returned	2,730	17,000	14,155	2,750	17,000

- ◆ **Goal 4** To widely disseminate the results of the survey and review process.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Pamphlets distributed (in thousands)	40	0	0	40	0

**Explanation:** Pamphlets are not distributed in a non-election year.

Telephone Contacts	155	50	45	200	50
Website Hits	135,642	42,000	1,500	150,000	2,000



**Program Summary**

COMMISSION ON JUDICIAL CONDUCT

George Riemer, Executive Director  
 Phone: (602) 452-3200  
 AZ Constitution, Article VI.I

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	507.1	506.8	506.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>507.1</b>	<b>506.8</b>	<b>506.8</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

- ◆ **Goal 1** To investigate and resolve all complaints of judicial misconduct in accordance with Constitutional mandates. (These numbers are based on Fiscal-year data from July 1, 2011 through June 30, 2012)

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Inquiries	584	575	449	450	450
Complaints processed	351	400	327	330	330
Formal and Informal Advisory Opinions	212	225	140	150	150
Preliminary investigations	234	250	215	225	225
Motions for reconsideration	13	20	21	25	25
Sanctions and other warnings	41	45	51	50	50

**Program Summary**

**JUDICIAL COMPENSATION**

Kevin Kluge, Chief Financial Officer

Phone: (602) 452-3395

AZ Constitution, Article VI, Section 9, A.R.S. § 12-120

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	7,974.9	7,410.2	8,171.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	169.3	174.9	174.9
<b>Total Funding</b>	<b>8,144.2</b>	<b>7,585.1</b>	<b>8,346.1</b>
<b>FTE Positions</b>	<b>82.0</b>	<b>82.0</b>	<b>83.0</b>

- ◆ **Goal 1** To provide fair and expeditious determination of cases. (Court activity is difficult to predict; projections are based on FY 2004 activity level, which also is an estimate. Cases pending are as of 6/30.)

\* The 2008 actual total reflects an estimated figure.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
All cases on file in prior fiscal year	464,122	450,000	455,199	450,000	450,000
All cases terminated in prior fiscal year	246,156	239,000	244,572	239,000	239,000
Cases pending in prior fiscal year	218,751	225,000	212,501	215,000	215,000
New filings (includes transfer in cases) in prior fiscal year	241,660	240,000	235,381	230,000	230,000
Other proceedings in prior fiscal year	46,452	50,000	49,812	50,000	50,000

**Program Summary**

**ADULT PROBATION SERVICES**

Kathy Waters, Division Director  
 Phone: (602) 452-3468  
 A.R.S. § 13-901

**This Program Contains the following Subprograms:**

- ▶ Standard Probation
- ▶ Intensive Probation
- ▶ Community Punishment
- ▶ Interstate Compact
- ▶ Drug Treatment and Education
- ▶ Global Positioning Systems (GPS)

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	24,863.5	24,909.7	24,909.7
Other Appropriated Funds	1,452.0	2,310.1	2,310.1
Other Non Appropriated Funds	3,520.5	3,652.4	3,652.4
<b>Total Funding</b>	<b>29,836.0</b>	<b>30,872.2</b>	<b>30,872.2</b>
<b>FTE Positions</b>	<b>27.6</b>	<b>27.6</b>	<b>27.6</b>

**Subprogram Summary**

**STANDARD PROBATION**

Kathy Waters, Division Director  
 Phone: (602) 452-3468  
 A.R.S. § 12-261

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	13,508.4	13,526.7	13,526.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>13,508.4</b>	<b>13,526.7</b>	<b>13,526.7</b>
<b>FTE Positions</b>	<b>9.6</b>	<b>9.6</b>	<b>9.6</b>

- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Operational reviews conducted	3	3	3	4	4
Percent of operational reviews completed within prescribed time frame	100	100	0	100	100
Percent of follow-up reviews on non-compliance issues completed within prescribed time frame	100	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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of court-ordered restitution paid by active standard probationers	48	55	63	63	65
Percent of community service hours completed	63	65	59	65	65
Percent of probationers exiting standard probation and not committed to county jail or DOC	83	85	83	85	87

◆ **Goal 3** To assist in enhancement of education and training of probation officers and staff by providing regionalized and statewide training.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Certification Academies conducted	2	3	4	4	4
Regional training events	104	85	112	100	100
Percent of probation personnel in compliance with COJET requirements	100	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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of probation departments in compliance with 65:1 mandate	45	100	86	100	100
Percent of probation departments whose funding is primarily used for payment of probation officer salaries	100	100	100	100	100
Percent of probationers successfully completing probation	79	80	81	83	85
Average annual state cost per probation slot (in dollars) in prior fiscal year	1,223	1,376	1,287	1,376	1,376

**Subprogram Summary**

INTENSIVE PROBATION

Kathy Waters, Division Director  
 Phone: (602) 452-3468  
 A.R.S. § 13-913 et. seq.

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
General Funds	10,732.0	10,741.2	10,741.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>10,732.0</b>	<b>10,741.2</b>	<b>10,741.2</b>
<b>FTE Positions</b>	<b>7.8</b>	<b>7.8</b>	<b>7.8</b>

◆ **Goal 1** To promote victim and community restoration and hold accountable adult intensive probationers while also providing opportunities for behavioral change consistent with the needs of public safety.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of eligible IPS probationers participating in a treatment program	44	60	48	55	60

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of IPS probationers maintaining full-time employment	43	60	44	55	55
Percent of IPS probationers not testing positive for illegal drug use	69	80	68	75	80
<b>Explanation:</b> 14 of 15 counties reporting					
Percent of court-ordered restitution paid by active IPS probationers	53	70	61	70	70
<b>Explanation:</b> 14 of 15 counties reporting					
Percent of community service hours completed	73	85	62	75	75
Percent of probationers exiting IPS and not committed to county jail or DOC	48	60	49	52	55

- ◆ **Goal 2** To promote public safety by providing each county probation department with adequate resources to meet required operational standards based upon applicable statutes, administrative orders, and funding requirements.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of probation departments in compliance with statutorily prescribed caseload	83	100	43	100	100
Percent of probation departments provided sufficient operating motor vehicles	100	100	100	100	100
Percent of probationers successfully completing probation	72	75	60	61	63
Average annual state cost per probation slot (in dollars) in prior fiscal year	7,738	7,803	8,370	8,370	8,370

- ◆ **Goal 3** To provide an advanced training program (Arizona Institute for Intensive Probation ) and technical assistance to IPS officers to ensure compliance with program direction.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
IPS institutes conducted	2	2	2	2	2
Percent of IPS officers completing the institute	100	100	100	100	100

**Subprogram Summary**

COMMUNITY PUNISHMENT

Kathy Waters, Division Director  
 Phone: (602) 452-3468  
 A.R.S. § 12-299

Funding:	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
General Funds	0.0	0.0	0.0
Other Appropriated Funds	1,452.0	2,310.1	2,310.1
Other Non Appropriated Funds	579.2	571.7	571.7
<b>Total Funding</b>	<b>2,031.2</b>	<b>2,881.8</b>	<b>2,881.8</b>
<b>FTE Positions</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>

- ◆ **Goal 1** To promote victim and community restoration and hold accountable adult community punishment probationers while also providing opportunities for behavioral change consistent with the needs of public safety.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
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	<u>Actual</u>	<u>Estimate</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Number of active probationers who received CPP funded services	2,194	2,275	2,786	2,700	2,800

<b>Subprogram Summary</b>	
INTERSTATE COMPACT	
Dori Ege, Program Manager Phone: (602) 452-3324 A.R.S. § 31-461	

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	623.1	641.8	641.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>623.1</b>	<b>641.8</b>	<b>641.8</b>
<b>FTE Positions</b>	<b>4.8</b>	<b>4.8</b>	<b>4.8</b>

◆ **Goal 1** To facilitate the transfer and supervision of probation cases through the interstate compact.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of transfer investigation requests completed within forty-five days of receipt, as required	94	95	96	97	97
Percent of victim assistance fund payments collected	40	42	38	40	40
Average satisfaction rating by states participating in the interstate compact (Scale 1-8)	N/A	N/A	N/A	N/A	N/A

<b>Subprogram Summary</b>	
DRUG TREATMENT AND EDUCATION	
Susan Alameda, Treatment Manager Phone: (602) 452-3558 A.R.S. § 13-901.02	

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	2,941.3	3,080.7	3,080.7
<b>Total Funding</b>	<b>2,941.3</b>	<b>3,080.7</b>	<b>3,080.7</b>
<b>FTE Positions</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>

◆ **Goal 1** To reduce the prevalence of drug use and the incidence of criminal activity for substance abusing offenders through treatment services and probation supervision.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of defendants convicted of an ARS 13-901.01 1st or 2nd offense and sentenced to a term of probation during the fiscal year	5,785	6,000	5,503	5,785	5,785

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of probationers convicted of an ARS 13-901.01 1st or 2nd offense that received DTEF funded treatment services	1,111	1,200	2,093	2,000	2,000

**Subprogram Summary**

GLOBAL POSITIONING SYSTEMS (GPS)

Kathy Waters, Division Director  
 Phone: (602) 452-3468  
 ARS 13-902(G)

◆ **Goal 1** To monitor all GPS offenders on probation as prescribed by statute

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of probationers on GPS	139	145	218	220	220

**Program Summary**

JUVENILE PROBATION SERVICES

Chad Campbell, Division Director  
 Phone: (602) 452-3450  
 A.R.S. § 8-201

**This Program Contains the following Subprograms:**

- ▶ Standard Probation
- ▶ Intensive Probation
- ▶ Treatment Services
- ▶ Family Counseling
- ▶ Progressively Increasing Consequences (PIC-Act)
- ▶ Juvenile Crime Reduction

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	45,541.1	45,767.2	45,767.2
Other Appropriated Funds	3,281.1	5,123.4	5,123.4
Other Non Appropriated Funds	-1,353.1	1,995.4	1,995.4
<b>Total Funding</b>	<b>47,469.1</b>	<b>52,886.0</b>	<b>52,886.0</b>
<b>FTE Positions</b>	<b>33.5</b>	<b>33.2</b>	<b>33.2</b>

**Subprogram Summary**

STANDARD PROBATION

Jeanne Brandner, Program Manager  
 Phone: (602) 452-3456  
 A.R.S. § 8-203

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	4,592.9	4,600.5	4,600.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	1,325.9	1,443.6	1,443.6
<b>Total Funding</b>	<b>5,918.8</b>	<b>6,044.1</b>	<b>6,044.1</b>
<b>FTE Positions</b>	<b>5.1</b>	<b>4.8</b>	<b>4.8</b>

◆ **Goal 1** To ensure proper supervision of youth on probation.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of juvenile probation departments in compliance with mandated case load ratios of 35:1	93	100	93	100	100
Percent of youth who complete their term of probation without a referral, i.e. successful completion	84	85	84	85	85
Percent of juvenile probation departments (15) undergoing on-site visits	47	100	73	100	100



Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Average annual cost per probation slot (in Dollars) in prior fiscal year	1,463	1,500	1,576	1,500	1,500
Percent of probationers successfully completing probation without a referral (a notice of misbehavior)	84	85	84	85	85

◆ **Goal 2** To manage and monitor the efficient and effective allocation and distribution of state appropriated funds.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of budget modifications reviewed and approved within two weeks	100	100	100	100	100
Percent of juvenile courts (15) whose plans are reviewed and approved	100	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 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of juvenile probationers ordered to pay restitution, who pay	81	100	99	100	100
Percent of juveniles ordered to pay probation fees, who pay	69	70	80	70	70

**Subprogram Summary**

INTENSIVE PROBATION

Jeanne Brandner, Program Manager  
 Phone: (602) 452-3456  
 A.R.S. § 8-351

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	8,905.5	9,166.5	9,166.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	11.7	5.9	5.9
<b>Total Funding</b>	<b>8,917.2</b>	<b>9,172.4</b>	<b>9,172.4</b>
<b>FTE Positions</b>	<b>5.4</b>	<b>5.4</b>	<b>5.4</b>

◆ **Goal 1** To ensure the proper level of intensive supervision of high risk probationers .

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of JIPS case load monthly reports reviewed	100	100	100	100	100
Percent of juvenile probation departments (15) visited	47	100	80	100	100
Percent of county JIPS programs (15) receiving informal on site monitoring reports	100	100	100	100	100
Percent of departments exceeding 95% compliance with contact standards as measured in quarterly performance audits	67	87	73	80	80

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of probationers successfully completing probation without a referral (a notice of misbehavior)	62	65	61	65	65
Average annual cost per probation slot (in dollars) in prior fiscal year	9,831	10,300	11,240	11,300	11,300

◆ **Goal 2** To ensure that JIPS officers are trained and meet established standards.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of JIPS officers passing initial academy testing	100	100	100	100	100

◆ **Goal 3** To manage and monitor the effective and efficient allocation and distribution of state appropriated funds.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of budget modifications reviewed and processed within two weeks of receipt	100	100	100	100	100
Percent of juvenile courts (15) whose plans and budgets are reviewed and approved	100	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 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of JIPS youth who complete JIPS without a referral, i.e.. successful completion	62	66	61	66	66

◆ **Goal 5** To promote victim and community restoration by holding juvenile intensive probationers accountable for their court ordered financial and community service obligations.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of the juvenile intensive probationers ordered to pay restitution who are paying	100	95	100	95	95

### Subprogram Summary

#### TREATMENT SERVICES

Steve Tyrrell, Program Manager

Phone: (620) 452-3451

A.R.S. § 8-322

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	22,357.9	22,314.9	22,314.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	-2,065.5	545.9	545.9
<b>Total Funding</b>	<b>20,292.4</b>	<b>22,860.8</b>	<b>22,860.8</b>
<b>FTE Positions</b>	<b>16.0</b>	<b>16.0</b>	<b>16.0</b>

◆ **Goal 1** To audit and evaluate treatment programs for contract compliance and effective service delivery.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
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<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Service contractors audited for compliance with program standards	45	70	34	70	70
Percent of contractors monitored in satisfactory compliance with established program standards (70%+)	88	85	99	85	85
Average cost per contract to audit (dollars)	1,079	1,000	1,197	1,000	1,000
Average hours per contract to audit and write report	37	30	42	30	30

◆ **Goal 2** To provide a comprehensive array of services and interventions for youth on probation.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Youth served	10,602	11,000	10,203	11,000	11,000
Youth provided out of home services	713	800	807	800	800
Youth provided day support services	167	400	122	400	400
Youth provided counseling intervention	3,315	4,000	3,392	4,000	4,000
Youth provided drug testing	8,679	9,000	8,382	9,000	9,000
Youth provided evaluations and other services	4,680	4,400	5,540	4,400	4,400
Youth provided educational and vocational services	463	500	129	500	500
Percent of youth who don't re-offend within 12 months of program completion in prior fiscal year	54	50	55	50	50
Percent of youth with successful outcomes in functional family therapy	62	80	63	80	80
Percent of youth with successful outcomes in Family Preservation	80	70	100	70	70
Percent of youth with successful outcomes in high impact residential	80	87	77	87	87

### Subprogram Summary

#### FAMILY COUNSELING

Steve Tyrrell, Program Manager  
 Phone: (602) 452-3451  
 A.R.S. §§ 8-261 et seq.

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	659.9	660.4	660.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>659.9</b>	<b>660.4</b>	<b>660.4</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To ensure services are available through the local juvenile courts for families in crisis.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Juvenile courts assisted in the development of approved family plans in prior fiscal year	15	15	15	15	15

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Families served in prior fiscal year	931	1,300	751	900	900
Average cost per family (dollars) in prior fiscal year	673	650	876	900	900
Average age of youth participating in program in prior fiscal year	16	16	16	16	16
Average sessions per family in prior fiscal year	10	9	11	10	10

**Subprogram Summary**

PROGRESSIVELY INCREASING CONSEQUENCES (PIC-ACT)

Steve Tyrrell, Program Manager  
 Phone: (602) 452-3451  
 A.R.S. § 8-321

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
General Funds	9,024.9	9,024.9	9,024.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	-625.2	0.0	0.0
<b>Total Funding</b>	<b>8,399.7</b>	<b>9,024.9</b>	<b>9,024.9</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To ensure diversion eligible referrals are processed in a timely manner.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of juveniles with an intake interview within 30 days of receipt of referral by the juvenile court	55	55	54	55	55

◆ **Goal 2** To promote victim and community restoration by holding diversion youth accountable for their assessed financial obligations.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of diversion youth assessed restitution, who pay	100	95	100	95	95
Percent of parents of diversion youth assessed one-time parental assessment fee, who paid	95	90	97	90	90

◆ **Goal 3** To ensure consequences are successfully completed.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of Community Work Service case closures that were successfully completed	85	85	88	85	85
Percent of Counseling case closures that were successfully completed	89	90	89	90	90
Percent of Delinquency Prevention Education case closures that were successfully completed	87	90	87	90	90
Percent of Substance Abuse Education case closures that were successfully completed	90	90	88	90	90

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of Non-Residential Rehabilitation or Supervision case closures that were successfully completed	94	95	94	95	95
Percent of diversion programs showing a minimum of 15% positive change between pre and post test	81	85	82	85	85

<b>Subprogram Summary</b>
JUVENILE CRIME REDUCTION
Jeanne Brandner, Program Manager Phone: (602) 452-3456 A.R.S. § 41-2401D.5

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	3,281.1	5,123.4	5,123.4
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>3,281.1</b>	<b>5,123.4</b>	<b>5,123.4</b>
<b>FTE Positions</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

◆ **Goal 1** To manage and monitor the distribution of JCRF grant funds.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of on-site monitoring visits conducted (non-random sample)	80	80	2	80	80
Percent of programs in compliance with financial requirements	100	100	100	100	100
Percent of programs in compliance with program requirements	100	100	100	100	100

◆ **Goal 2** To promote the development of promising community-based programs for youth.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Local programs funded	23	30	24	30	30
<b>Explanation:</b> Excludes LEARN Labs					
Youth served in local programs	682,715	600,000	92,320	93,000	93,000
LEARN labs	3	4	3	3	3

◆ **Goal 3** To oversee the distribution of federal education monies to the counties for juvenile detention education services.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Counties receiving funds	15	15	15	15	15
Juveniles served	12,865	15,000	12,019	15,000	15,000
Percent of on-site fiscal and program audits conducted	100	50	25	50	50
Percent of programs audited in compliance	100	100	100	100	100

◆ **Goal 4** To ensure that juvenile courts and probation departments are in compliance with statutes, administrative orders, funding agreements, rules, program plans, and policies and procedures.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Operational reviews conducted	3	3	3	3	3
Percent of departments reviewed that are in compliance	100	100	100	100	100

◆ **Goal 5** To support the administration and programs of the Arizona juvenile court system.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Automation projects funded	1	2	3	2	2
Loss prevention issues addressed in detention centers	0	1	0	1	1
Community Advisory Board programs funded	0	0	0	0	0

**Program Summary**

COURT OF APPEALS DIVISION I

Ruth Willingham, Clerk of the Court  
 Phone: (602) 542-0264  
 A.R.S. § 12-120 et. seq.

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
General Funds	9,937.1	9,640.0	9,763.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>9,937.1</b>	<b>9,640.0</b>	<b>9,763.5</b>
<b>FTE Positions</b>	<b>98.3</b>	<b>98.3</b>	<b>98.3</b>

◆ **Goal 1** To provide fair and expeditious determination of cases. (Court activity is difficult to predict; projections are based on FY 2011 activity level. Cases pending are as of 6/30.)

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
All cases on file	5,508	5,540	5,251	5,251	5,251
All cases terminated	3,118	3,135	3,003	3,003	3,003
Cases pending	2,399	2,400	2,248	2,248	2,248
New case filings	3,039	3,042	2,910	2,910	2,910
Customer Satisfaction rating for settlement program	7.8	7.8	7.4	7.5	7.5
Cases decided in which a Supreme Court review was not sought	2,278	2,300	2,529	2,529	2,529
Cases decided where Supreme Court review was denied	431	440	453	453	453
Cases decided which Supreme Court review was granted and decision upheld	3	3	21	21	21

**Program Summary**

COURT OF APPEALS DIVISION II

Jeff Handler, Clerk of the Court  
 Phone: (520) 628-6954  
 A.R.S. § 12-120 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	4,330.7	4,177.6	4,269.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,330.7</b>	<b>4,177.6</b>	<b>4,269.2</b>
<b>FTE Positions</b>	<b>36.5</b>	<b>36.5</b>	<b>36.5</b>

- ◆ **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.)

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
All cases on file	1,606	1,800	1,592	1,800	1,800
All cases terminated	946	950	652	800	820
Cases pending	679	720	915	850	850
New case filings	889	910	841	880	920
Customer Satisfaction rating for settlement program (Scale 1-8)	7.8	7.8	7.6	7.8	7.8
Cases upheld upon review	927	935	626	770	780

**Program Summary**

**ADULT AND JUVENILE DRUG COURT**

Cliff Ford, Program Manager  
 Phone: (602) 452-3558  
 ARS §13-3422

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	1,013.6	1,013.6	1,013.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	218.2	218.2	218.2
<b>Total Funding</b>	<b>1,231.8</b>	<b>1,231.8</b>	<b>1,231.8</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To measure the number of Adult participants screened, admitted and graduated from drug courts.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of Participants sentenced to drug court.	893	900	1,303	1,400	1,500
Number of Participants retained at 180 day point	1,334	1,400	1,074	1,200	1,400

**Explanation:** Excludes Maricopa as they were unable to report on 180 day retention

Number of Graduates from drug court	355	390	357	400	400
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◆ **Goal 2** To measure the number of Juvenile participants screened, admitted and graduated from drug courts.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of Participants admitted to drug court	299	300	260	275	275
Number of Participants retained at 180 day period	307	325	282	300	300
Number of graduates from drug court	97	125	69	100	100



# Department of Juvenile Corrections

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# Five-Year Strategic Plan

## FY 2014 to FY 2018



**Charles Flanagan**  
**Director**

## **FIVE-YEAR STRATEGIC PLAN**

### **ADJC VISION**

Safer communities through successful youth.

### **ADJC MISSION**

The Arizona Department of Juvenile Corrections enhances public protection by changing the delinquent thinking and behaviors of juvenile offenders committed to the Department.

### **ADJC DESCRIPTION**

The Arizona Department of Juvenile Corrections (ADJC) is responsible for juveniles adjudicated delinquent and committed to its jurisdiction by the county juvenile courts. 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 provision of supervision and a continuum of services to juvenile offenders in those facilities and in their communities. Arizona law requires that ADJC accomplish its mission by providing supervision, rehabilitation, treatment and education to the juveniles committed to its care.

### **ADJC STRATEGIC ISSUES**

The Arizona Department of Juvenile Corrections presents five strategic initiatives that address its greatest challenges and opportunities and the corresponding strategies that will be undertaken in order to address these strategic issues.

## STRATEGIC ISSUES

### **Strategic Issue 1: “SAFETY” - Ensuring a safe and secure environment for treatment and rehabilitation of committed youth**

*Johnson v. Upchurch*, a class action lawsuit filed in federal court in 1986, challenged the constitutionality of the conditions of confinement in juvenile facilities then being operated by the Juvenile Division of the Arizona Department of Corrections. After the Legislature created the free-standing Arizona Department of Juvenile Corrections (ADJC) in 1989, the State settled the lawsuit by entering into a consent decree, under which the federal court monitored ADJC until 1998, when the court found that ADJC had satisfied all provisions.

Unfortunately, the sweeping changes ADJC had made were not sustained. In 2002, the United States Department of Justice (USDOJ) began an investigation of ADJC, prompted in part by three suicides at ADJC’s Adobe Mountain School in 2001-02. As a result, it filed *United States v. State of Arizona* in federal court in 2004. Both lawsuits addressed the isolation of youth, abuse of youth, the civil rights of incarcerated youth, and shortcomings in treatment, education and behavioral health services. Arizona entered into a memorandum of agreement with the USDOJ, resulting in the lawsuit’s dismissal in 2007, when monitors concluded that all provisions of the agreement were satisfied. While implementing the memorandum of agreement, ADJC made comprehensive reforms that improved safety, security and treatment services for committed youth. Those accomplishments were reaffirmed by the Arizona Auditor General in 2009, when the Auditor General concluded that ADJC had continued to make notable progress in the critical areas of programming and youth safety since federal monitoring terminated in 2007. ADJC’s continuing progress was again reaffirmed in July 2012, when Governor Janice K. Brewer signed House Bill 2218 continuing ADJC for 10 years.

ADJC’s commitment to providing a safe and secure environment for our shared communities, employees and the youth entrusted to our care is manifest in a management framework that synthesizes analysis of agency data, proactive problem solving, rigorous prevention strategies, and a clear accountability structure.

Recognizing that safety and security begins with proper assessment and classification, ADJC joined a statewide effort to utilize the new Arizona Youth Assessment System (AZYAS). This system is designed to further improve ADJC’s assessment and classification process, affirm placement and treatment decisions, and bolster collaboration with Arizona’s Juvenile Courts. The Administrative Office of the Courts, the 15 Arizona county juvenile courts, and ADJC are committed to using AZYAS to effectively work together and assure the right youth are committed to ADJC at the right time.

Also of paramount importance is the engagement of staff in the effective collection, and assessment of data. Ensuring that staff are engaged and informed, agency-wide, enhances ADJC's ability to continually improve safety, security, and treatment practices. All agency staff receives a daily dashboard report that provides an overview of key indicators such as demographics, safety incidents, therapeutic and educational progress, and community corrections data. Key staff participates in daily briefings to discuss incidents that concern the safe environment for treatment and rehabilitation. On a biweekly basis, executive staff utilizes a management process to link real-time data with strategic problem solving strategies - from addressing individual level, incident-centered activity to system-wide trends. Recently, the agency implemented a web-based inspections system, referred to as GAR (Green, Amber, Red) that allows for timely tracking of facility and operations inspections. Systems problems or deficiencies are now easily identified resulting in quicker corrective actions.

As part of this strategic issue, ADJC will continue to work to improve its ability to provide youth with a safe and secure environment that fosters effective treatment and rehabilitative outcomes.

<b>Strategic Issue 1 - Strategies:</b>
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1. Continue to collect and produce timely and accurate data to support management processes.
2. Institute a quality assurance process to strengthen the efficacy of placement and treatment decisions; ensuring services vary in accordance with individual assessed risk and need levels.
3. Implement an appropriate incentives and consequences system for committed youth based on emphasizing positive behaviors and decreasing delinquent, anti-social behaviors.
4. Enhance staff skills and competencies in sound correctional and therapeutic practices to meet current and future agency needs. Explore a validation process to confirm and document competencies.
5. Improve collaboration, coordination and communication across juvenile justice entities, including law enforcement agencies, county attorneys, lawyers, judges, and county probation departments to ensure proper placement of youth into ADJC, successful transition of youth back to the community and for sharing and transferring relevant information.
6. Ensure that adequate resources and funding are provided to support physical plant improvements related to safety and security.



**Strategic Issue 2: “QUALITY” - Creating efficiencies and increasing positive outcomes through improved processes that focus on youth.**

The Arizona Department of Juvenile Corrections (ADJC) is committed to effectiveness, efficiency, and quality of treatment and services in support of our vision, mission and values. In FY 2012, the average length of stay in secure care for a committed youth was 6.7 months. During that short time, ADJC is charged with ensuring that youth receive comprehensive services. This includes treatment for youth with substance abuse disorders, mental health issues, or issues of inappropriate sexual behavior. Substance use disorders are by far the most pervasive within the ADJC population, with 88 percent having a related diagnosis. Well over half arrive at ADJC with chemical dependency or severe abuse issues.

In secure care, core treatment programming is provided to all committed youth using the New Freedom program, which is research-based and employs cognitive behavioral modalities recognized as best practices. New Freedom addresses dysfunctional thinking as it contributes to problematic and delinquent behaviors, and uses Cognitive Behavior Therapy (CBT), Motivational Enhancement Therapy (MET), social learning, risk factors management, and relapse prevention approaches. In addition to these core treatment programs, youth are assigned to specialized programs that focus on substance dependence, issues of inappropriate sexual behaviors, and mental health issues.

Youth in secure care also receive complete educational services, including core academics, GED preparation, work readiness and vocational skills training, and special education (over 38% of ADJC youth require special education services). The majority of committed youth have failed in traditional education settings. Most youth have had attendance problems in traditional public schools and fall below grade level in mathematics and reading.

As ADJC moves forward, all of its secure care programs and operational practices are undergoing review from the perspective of the direct role they play in a youth’s successful reintegration into the community. Wherever indicated, adjustments will be made to improve a youth’s chances of success, based upon ongoing program assessment and the most current academic research.

As part of this strategic issue, ADJC will continue to apply its resources in order to maximize the likelihood of successful reentry, the precursor to a productive, pro-social life.

**Strategic Issue 2 - Strategies:**

1. Develop decision models to monitor and evaluate ADJC processes and operations, in order to ensure that they focus on youth priorities and produce positive youth outcomes.

2. Develop optimal staffing plans and patterns for all agency operations that maximize positive youth outcomes, including reporting structures, lines of responsibility, and position descriptions.
3. Continue to reduce and intelligently automate recordkeeping to reduce redundancies and decrease the reporting burden on ADJC staff, utilizing viable data-driven assessment, monitoring and evaluation strategies.
4. Explore alternative “team” models and approaches to youth case management that follow the committed youth from secure care to community corrections. Develop community corrections/parole “team” models that include youth parole officers (general case plan oversight and direct supervision), education counselors, family behavioral counselors, and community partners; in order to maximize youth contacts and ensure a continuum of services and programming to youth upon release to the community.
5. Effectively communicate our effectiveness to all constituents with empirical information.

**Strategic Issue 3: “COLLABORATION” - Creating a collaborative, long-term strategic re-entry program for ADJC youth.**

One of the critical changes in juvenile justice over the past decade is the increasing recognition that the utilization of effective assessment strategies, coupled with evidence-based treatment and community reentry programs, can successfully transition youth from secure care facilities to their communities (Trupin, Turner, Stewart, & Wood, 2004; Wasserman, McReynolds, Lucas, Fisher, & Santos, 2002).

For the Arizona Department of Juvenile Corrections (ADJC), planning for transition from secure care to the community begins at intake with a comprehensive risk and needs assessment and the development of an individual case plan (ICP) for each youth. This ICP, which is continually updated, identifies the individualized rehabilitative and treatment programming required to meet the needs of the youth both in secure care and upon released into the community. As part of this strategy, ADJC has developed an operating system of community based programs to supervise and rehabilitate youth in the least restrictive environment, consistent with public safety and individual youth needs.

However, ADJC recognizes that more can and should be done to ensure successful transition. This includes a more coordinated effort among key stakeholders to make core and wrap around services (true treatment, behavioral health, medical, family counseling, education, career planning, restorative justice and community betterment, and faith-based) available and accessible to all released youth.



As part of this strategic issue, ADJC will continue to research and adopt evidence based best practices for youth reentry and engage stakeholders through aggressive collaboration efforts. ADJC will ensure that we utilize a continuum of services, collaboration and open communication with internal and external constituents and partners, in order to continually improve the outcomes of our youth.

### **Strategic Issue 3 - Strategies:**

1. Enhance ADJC reception, assessment and classification (RAC) processes to increase positive youth outcomes.
2. Collaborate with stakeholders, partners and other government entities to create a single youth case transition plan.
3. Encourage, increase, and improve collaboration with community partners. Develop effective team work, partnerships which fill gaps in services and strive for improved youth outcomes.
4. Create a supportive, positive environment for families that encourages contact and welcomes participation.
5. Expand use of technology to improve work with families/stakeholders, partners and other state agencies and organizations.

### **Strategic Issue 4: “UNITY” - Creating a positive organizational culture that aligns with and sustains the ADJC vision, mission, and norms.**

In 2009, in response to a fiscal crisis that began in 2008 and Governor Janice K. Brewer’s call for more efficient government, the Arizona Department of Juvenile Corrections was called upon to improve outcomes while reducing costs. After a renewed effort in 2011, ADJC has redesigned and consolidated its community corrections services, eliminating six offices; closed two of four secure care facilities, combining the remaining two, Adobe Mountain School and Black Canyon School, into a joint facility that shares administrative resources; and reduced its administrative central office staff by over 40 positions in order to fill critical direct service positions.

Going forward, ADJC must continue to adjust its practices in order to further consolidate resources, reduce costs, and improve outcomes. The ongoing success of these efforts will depend in great part on ADJC’s ability to create and sustain a positive culture that embraces and rewards innovation and achievement at all levels of the organization. In 2012, ADJC began a “culture change” initiative with the goal of identifying and implementing a holistic, structured approach to promoting positive behavioral change and process improvement for both ADJC employees and committed youth. Positive

Behavioral Interventions and Supports (PBIS), a systems approach for establishing a positive environment for success, has been adopted by ADJC to achieve a system-wide culture that cultivates positive change.

As part of this strategic issue, ADJC will focus on realigning its goals, processes, values, communications practices, roles, attitudes and assumptions to affect positive change within the agency. ADJC will strive to eliminate traditional organizational “silos”, while teaching and demonstrating positive reinforcement; respect for employees, constituents and committed youth; and the unity of our agency.

#### **Strategic Issue 4 - Strategies:**

1. Create a shared vision of positive culture to instill pride, inspire loyalty and motivate employees to continue to improve agency functioning and the outcomes of youth committed to ADJC.
2. Challenge and eliminate barriers that inhibit cultural change.
3. Creatively and consistently communicate and reinforce individual (youth committed to ADJC and ADJC employees) and agency-wide successes.
4. Regularly assess and analyze the organizational culture, evaluating it against the cultural attributes required to achieve both individual and agency level objectives and needs.

#### **Strategic Issue 5: “RETENTION” - Improving staff retention through effective human capital management**

In May 2012, Governor Janice K. Brewer signed into law a historic reform governing the State workforce, modernizing the way in which State government manages, hires and fires employees. The measure, HB 2571, was a critical component of the Governor’s policy agenda during the recently-concluded legislative session. Effective September 29, 2012, the personnel reform legislation is designed to improve accountability and performance, while allowing agencies greater flexibility in managing its human capital.

As identified by Governor Brewer, the new personnel system will address a series of challenges confronting State government, namely its need to:

- Remain productive by being able to do more with less;
- Attract top talent into the workforce; and
- Discontinue providing job security and protection for inefficient and unproductive workers.

For the Arizona Department of Juvenile Corrections (ADJC), the need for this reform is underscored by a historically high turnover rate. High turnover limits ADJC's effectiveness in providing committed youth with a safe environment and continuity in service delivery, which is crucial toward achieving successful community reintegration. In FY 2011, ADJC's agency-wide turnover rate was 14 percent. In FY 2012, this turnover rate grew to 20 percent

To mitigate high turnover and aid in increasing overall retention of staff, ADJC will continue to make purposeful efforts to improve the development, retention and recognition of staff.

#### **Strategic Issue 5: Strategies:**

1. Implement a succession planning program to develop future agency leaders and prevent loss of institutional knowledge. To include mentoring, coaching, leadership training, employee development, peer support systems, cross-training opportunities, and career advancement processes.
2. Develop viable and sustainable compensation strategies that ensure wages are fair, competitive, and aligned with performance.
3. Measure employee job satisfaction through the completion of an annual employee satisfaction survey and identify retention challenges through an improved exit interview process.
4. Create a culture that celebrates success and provide meaningful recognition programs and awards to identify and reward employees who perform outstanding work. Increase focus on positive achievements and positive reinforcement.
5. Improve internal communications and foster a respect for innovative ideas and solutions.

## RESOURCE ASSUMPTIONS

### Total Incremental Costs for Implementing All Strategic Issues

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
	Appropriation	Budget Request	Estimate	Estimate	Estimate	Estimate
<b>Full Time Equivalent (FTE) Positions</b>	738.5	738.5	738.5	738.5	738.5	738.5
<b>General Fund</b>	\$43,428,400	\$44,628,400*	\$50,728,400**	\$43,428,400	\$43,428,400	\$43,428,400
<b>Other Appropriated Funds</b>	\$3,890,900	\$3,890,900	\$3,890,900	\$3,890,900	\$3,890,900	\$3,890,900
<b>Non-Appropriated Funds</b>	\$177,600	\$211,600	\$211,600	\$211,600	\$211,600	\$211,600
<b>Federal Funds</b>	<u>\$1,823,200</u>	<u>\$1,239,100</u>	<u>\$1,239,100</u>	<u>\$1,239,100</u>	<u>\$1,239,100</u>	<u>\$1,239,100</u>
<b>Total Agency Funds</b>	\$49,320,100	\$49,970,000	\$56,070,000	\$48,770,000	\$48,770,000	\$48,770,000

\*FY 2014 includes request for \$1.2 million GF for new Education Building planning and design.

\*\*FY 2015 includes request for \$7.3 million GF for new Education Building construction.

## Agency Summary

### DEPARTMENT OF JUVENILE CORRECTIONS

Charles Flanagan, Director  
Phone: (602) 364-4051  
A.R.S. § 41-2802

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
➤ HOUSING	18,249.1	16,878.1	18,078.1
➤ REHABILITATION	25,291.0	24,864.1	24,864.1
➤ ADMINISTRATION	7,151.5	7,027.8	7,027.8
<b>Agency Total:</b>	<b>50,691.6</b>	<b>48,770.0</b>	<b>49,970.0</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	45,987.4	43,428.4	44,628.4
Other Appropriated Funds	3,093.6	3,890.9	3,890.9
Other Non Appropriated Funds	1,610.6	1,450.7	1,450.7
<b>Total Funding</b>	<b>50,691.6</b>	<b>48,770.0</b>	<b>49,970.0</b>
<b>FTE Positions</b>	<b>1,001.7</b>	<b>738.5</b>	<b>738.5</b>

**Program Summary**

**HOUSING**

Charles Flanagan, Director  
 Phone: (602) 364-4051  
 A.R.S. § 41-2802

**This Program Contains the following Subprograms:**

- ▶ Facilities Management
- ▶ Security
- ▶ Health Care

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	16,988.0	15,149.5	16,349.5
Other Appropriated Funds	1,113.5	1,098.6	1,098.6
Other Non Appropriated Funds	147.6	630.0	630.0
<b>Total Funding</b>	<b>18,249.1</b>	<b>16,878.1</b>	<b>18,078.1</b>
<b>FTE Positions</b>	<b>412.5</b>	<b>217.5</b>	<b>217.5</b>

**Subprogram Summary**

**FACILITIES MANAGEMENT**

Charles Flanagan, Director  
 Phone: (602) 364-4051  
 A.R.S. § 41-2802

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	8,001.4	6,362.5	7,562.5
Other Appropriated Funds	1,113.5	1,098.6	1,098.6
Other Non Appropriated Funds	147.6	630.0	630.0
<b>Total Funding</b>	<b>9,262.5</b>	<b>8,091.1</b>	<b>9,291.1</b>
<b>FTE Positions</b>	<b>71.5</b>	<b>61.0</b>	<b>61.0</b>

◆ **Goal 1** To create a safe and healthy milieu for staff and youth.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of fire and health inspection discrepancies corrected before the next inspection	100	100	100	100	100

**Subprogram Summary**

**SECURITY**

Charles Flanagan, Director  
 Phone: (602) 364-4051  
 A.R.S. § 41-2802

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	4,084.2	3,352.8	3,352.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,084.2</b>	<b>3,352.8</b>	<b>3,352.8</b>
<b>FTE Positions</b>	<b>274.0</b>	<b>92.0</b>	<b>92.0</b>

◆ **Goal 1** To safeguard the public, staff and committed youth using sound correctional practices.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Assaults on youth per 100-youth days	.07	.07	.10	.07	.07
<b>Explanation:</b> Although slightly higher than FY 2011, this rate is in line with the five-year average of .14.					
Number of escapes	0	0	0	0	0
Percent of youth who feel safe in their secure care	90	90	94	94	94

### Subprogram Summary

#### HEALTH CARE

Charles Flanagan, Director  
 Phone: (602) 364-4051  
 A.R.S. § 41-2802

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	4,902.4	5,434.2	5,434.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,902.4</b>	<b>5,434.2</b>	<b>5,434.2</b>
<b>FTE Positions</b>	<b>67.0</b>	<b>64.5</b>	<b>64.5</b>

◆ **Goal 1** To provide necessary and appropriate medical, dental and mental health care to committed youth.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Medical services average annual cost per youth	8,097	9,797	7,860	7,860	7,860
Mental health services average annual cost per youth	6,089	6,698	4,764	4,764	4,764
Percent of youth assessed with significant mental health needs	27	30	28	28	28

**Program Summary**

REHABILITATION

Charles Flanagan, Director  
 Phone: (602) 364-4051  
 A.R.S. § 41-2802

**This Program Contains the following Subprograms:**

- ▶ Education
- ▶ Secure Care Treatment
- ▶ Community Care Treatment

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	21,933.1	21,336.5	21,336.5
Other Appropriated Funds	1,980.1	2,792.3	2,792.3
Other Non Appropriated Funds	1,377.8	735.3	735.3
<b>Total Funding</b>	<b>25,291.0</b>	<b>24,864.1</b>	<b>24,864.1</b>
<b>FTE Positions</b>	<b>491.5</b>	<b>447.0</b>	<b>447.0</b>

**Subprogram Summary**

EDUCATION

Charles Flanagan, Director  
 Phone: (602) 364-4051  
 A.R.S. § 41-2831

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	2,170.5	1,189.3	1,189.3
Other Appropriated Funds	1,463.3	2,261.7	2,261.7
Other Non Appropriated Funds	1,100.7	684.2	684.2
<b>Total Funding</b>	<b>4,734.5</b>	<b>4,135.2</b>	<b>4,135.2</b>
<b>FTE Positions</b>	<b>90.0</b>	<b>75.5</b>	<b>75.5</b>

- ◆ **Goal 1** To prepare committed youth to be successful upon release through an integrated array of academic and career-oriented educational programming.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of youth passing the GED test.	79	80	81	81	81
Percent of youth who increased their TABE (Test of Adult Basic Education) mathematic achievement	74.5	80	64	74.5	74.5

**Explanation:** Reduction in the average length of stay has contributed in part to a decline in achievement level.

Percent of youth who increased their TABE (Test of Adult Basic Education) reading achievement	79.3	80	72	79.3	79.3
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**Explanation:** Reduction in the average length of stay has contributed in part to a decline in achievement level.



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of youth in secure care achieving a high school diploma	0	0	20	25	25

**Explanation:** Measure added in FY 2013.

<b>Subprogram Summary</b>	
SECURE CARE TREATMENT	
Charles Flanagan, Director Phone: (602) 364-4051 A.R.S. § 41-2802	

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
General Funds	15,247.7	15,469.2	15,469.2
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	267.3	51.1	51.1
<b>Total Funding</b>	<b>15,515.0</b>	<b>15,520.3</b>	<b>15,520.3</b>
<b>FTE Positions</b>	<b>335.0</b>	<b>316.0</b>	<b>316.0</b>

◆ **Goal 1** To develop law abiding behavior in youth by providing an integrated array of services based on individual needs.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of youth showing progress in their primary treatment problem area	75	77	76	76	76

**Explanation:** FY 2012 percentage is based upon first 6 months of FY, due to an automation upgrade during second half of FY.

Percent of juveniles incarcerated within 12 months of release	32	32	30	30	30
Percent of juveniles incarcerated within 36 months of release	51	49	46	46	46
Percent of all revoked youth whose revocation offense was a new delinquent offenses	26	77	29	26	26

◆ **Goal 2** To contribute to the successful restoration of communities, youth and families.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Dollar amount of court ordered restitution collected from youth in secure care	0	0	19,604	19,604	19,604

**Explanation:** Measure added in FY 2013.

<b>Subprogram Summary</b>	
COMMUNITY CARE TREATMENT	
Charles Flanagan, Director Phone: (602) 364-4051 A.R.S. § 41-2817	

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	4,514.9	4,678.0	4,678.0
Other Appropriated Funds	516.8	530.6	530.6
Other Non Appropriated Funds	9.8	0.0	0.0
<b>Total Funding</b>	<b>5,041.5</b>	<b>5,208.6</b>	<b>5,208.6</b>

**FTE Positions** 66.5 55.5 55.5

◆ **Goal 1** To maximize committed youth participation in programming opportunities within the community.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of juveniles involved in an academic, vocational or employment programs while on conditional liberty	83	88	97	97	97

◆ **Goal 2** To collaborate with community stakeholders to effect positive change through restorative justice programs.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of victims who report satisfaction with restorative services received from ADJC	77	85	89	89	89

**Program Summary**

ADMINISTRATION

Charles Flanagan, Director  
 Phone: (602) 364-4051  
 A.R.S. § 41-2802

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	7,066.3	6,942.4	6,942.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	85.2	85.4	85.4
<b>Total Funding</b>	<b>7,151.5</b>	<b>7,027.8</b>	<b>7,027.8</b>
<b>FTE Positions</b>	<b>97.7</b>	<b>74.0</b>	<b>74.0</b>

◆ **Goal 1** To provide effective services for youth efficiently and cost effectively.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Administration as a percent of total cost	6.5	6.4	6.5	6.5	6.5
Average yearly cost per bed in secure care.	NA	310	276.25	260.0	260.0

**Explanation:** This dollar amount is the daily cost per youth in secure care.

Daily cost per youth on conditional liberty in the community	0	0	52.70	49.00	49.00
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**Explanation:** Measure added in FY 2013.

◆ **Goal 2** To create a competent and diverse workforce.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Annual staff turnover rate	14	20	20	14	14
Percent of staff indicating satisfaction with their jobs	NA	NA	67	70	70
Annual Youth Correctional Officer (YCO) turnover rate	31	35	26	26	26

# State Land Department

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



## Arizona State Land Department Five-Year Strategic Plan FY 2014 - 2018

**Mission Statement:** 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 ("ASLD") was established in 1915 to manage the State Trust lands on behalf of the thirteen beneficiaries of that Trust, as established by the State Enabling Act and State Constitution. Each of the approximately 9.3 million acres of land is assigned to one of the beneficiaries, the largest of which is the state's common schools. The ASLD works to sustain the long-term value for the Trust's beneficiaries by administering, selling, and leasing the State's Trust lands and natural products. The ASLD also administers the State's Natural Resource Conservation District Program, which involves funding and technical assistance for 32 districts across the State. The ASLD 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 ASLD provides statewide geological information system services including development and sharing of data layers through the Arizona Land Resources Information System program.

**The ASLD has identified the following Strategic Issues:**

**Strategic Issue: Management of Significant Instruments**

The ASLD's portfolio of over 11,000 significant instruments includes, but is not limited to, leases, certificates of purchase (cp's), royalty agreements and special land use permits. These instruments represent a diverse range of uses including rights of way, commercial, Federal government, minerals, oil, gas, grazing and agriculture. They range in length from less than a year to ninety-nine years, and the majority are five or ten year agreements. Most of the revenue received by the ASLD is conveyed through the use of these instruments.

Since the ASLD manages a large amount of diverse instruments that are typically longer term in nature and are used to earn most of the revenue on an annual basis, the ASLD recognizes the management of significant instruments as a strategic issue.

The ASLD plans to generally address the issue by reviewing the language in proposed significant financial instruments before they are executed to ensure economic return is optimized for the Trust beneficiaries and the potential liability of both the State and ASLD is minimized.

Specifically, the ASLD will develop a schedule whereby a formal process is implemented to ensure appropriate internal staff is alerted to, and agrees with, the terms and conditions in all significant instruments entered into by the ASLD. These instruments should be reviewed by individuals representing a broad spectrum of expertise to identify possible deficiencies in the areas of risk, finance, accounting, legal, title, land management and administration. Whenever possible, an attempt should be made to create standardized terms and conditions within each category to ensure uniformity and to aid in efficiency. Due to the large cohort of instruments compared to the limited amount of staff resources available to execute this plan, the ASLD should begin by identifying criteria to prioritize the agreements which will yield the greatest results on an annual basis.



This limiting criterion should narrow the subset to an achievable amount given the static human resources available. Some of the factors that could be considered include the dollar amount, length of the agreement and special risk factors. For example, it may be determined that an achievable subset in the first year would include only the new instruments over ninety-eight years in length along with all new agreements involving industrial usage. The second year subset could include the first-year criteria along with new instruments valued at a threshold above \$100,000 annual anticipated revenue. In this manner the benefits should compound each year due to the standardization of terms and conditions until, ultimately the ASLD only reviews a select group deemed to exhibit special factors that either deviate from the standardized language or are considered especially high risk in terms of scope and scale related to previously identified characteristics. The ASLD will have been successful when every new instrument contains previously reviewed standardized terms and conditions or thoroughly reviewed newly created language that can be applied to comparable future usage.

### **Strategic Issue: Management of Application Processes**

Each year the ASLD receives, on average approximately 11,000 paper applications for approximately forty different land uses among eight major categories. For the past four years, the total has varied from 9,000 to 17,000. Some applications are simple and routinely processed within a day, while others are extremely complicated and dependent on both internal and external actions from third parties for completion. The more complicated, numerous and time consuming applications offer an opportunity to improve the process.

In order to potentially improve the efficiency of ASLD staff to do more with less, thereby allowing more capacity to be utilized toward the core mission of the ASLD and to improve our customer's experience, the ASLD recognizes the management of application processes as a strategic issue.

The ASLD plans to generally address the issue by reviewing and attempting to streamline the application processes that will have the greatest benefit to both internal and external customers.

The ASLD specifically, will begin by identifying which of the forty unique application processes has the highest likelihood of being improved the most given the assumption of static human resources availability. The factors involved in the selection should include the amount of applications received annually, the complexity and number of contacts required for completion, the overall time involved in processing, and the economic impact to the beneficiaries. After a specific type of application has been targeted for process improvement, related stakeholders should be identified. These include ASLD employees directly involved in each step of the process, their supervisors and managers, internal employees indirectly tied to the process and external customers whenever possible. The ASLD should work with this group of stakeholders to review the application process using proven techniques and methodologies. Some of these are commonly referred to as "Lean", "TQM – Total Quality Management" and "Six-Sigma". The Government Transformation Office (GTO) should be involved in the initial process improvement exercise in order to ensure the greatest improvement possible for the initial process and also to train internal ASLD staff to apply these techniques to another of the processes chosen for future improvement. As the ASLD finishes improvements to each specific process the efficiency savings should compound for the subsequent process in both the time needed to dissect, review and improve the process and the resources needed to maintain current service levels of processes already improved.



## Arizona State Land Department Five-Year Strategic Plan FY 2014 - 2018

The ASLD will have been successful in this strategy when the most complicated, numerous and time consuming application processes have been reviewed with a proven process improvement methodology in order to achieve the greatest possible efficiencies.

### **Strategic Issue: Overall Organizational Effectiveness**

The ASLD continuously strives to improve its processes to provide timely defensible data and information within the confines of federal and state statutes in line with the overall mission of the ASLD. The ASLD recognizes the improvement of overall organizational effectiveness as a strategic issue because, in order to avoid complacency, the ASLD needs to continue to always keep a sharp focus on ways to improve in a dynamic environment.

Generally, the ASLD will seek opportunities to enhance the overall effectiveness of the organization through Administrative initiatives.

Specifically, the ASLD will focus on human resources, strategic and operational planning and process improvement to continuously evaluate and improve the ASLD. First, since overall organizational effectiveness is limited to being only as good as the people involved in the tasks and processes required, the ASLD should always strive to retain and bring onboard the most highly qualified and motivated mix of individuals possible. This will allow for the ASLD to deliver efficient, professional service to our customers through communications, employee training and administrative systems.

The ASLD should attempt to instill a habit of planning for the future within all levels of management. This could be achieved by seeking opportunities to be evaluated both individually and collectively through both formal and informal means. The ASLD should welcome each opportunity to have a customer contact or experience, both internally and externally, be evaluated so the ASLD can take steps to improve the experience.

In order to continue to improve both efficiency and effectiveness the ASLD should continually be looking for opportunities to avoid time wasting activities within each step of a process. The Government Transformation Office has offered some excellent techniques which can be applied to many processes that are, in some cases, deemed unchangeable or never considered. The application of these techniques may continue to become increasingly valuable and necessary as we strive to accomplish more numerous and changing activities with fewer resources.

The ASLD should not view this strategic issue as a static event but rather as a dynamic and systematic series of actions allowing for continuous follow up and adjustment.



## Arizona State Land Department Five-Year Strategic Plan FY 2014 - 2018

**The ASLD has enumerated the following resource assumptions as required by A.R.S. § 35-122:**

Resource Assumptions (Land Department)						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
(FTE) Positions	125.7	125.7	125.7	125.7	125.7	125.7
General Fund	1,258,600	2,771,700 <sup>A</sup>	2,372,800 <sup>C</sup>	2,372,800	2,372,800	2,372,800
Other Appropriated Funds	14,976,600	14,796,600 <sup>B</sup>	14,796,600	14,796,600	14,796,600	14,796,600
Non-Appropriated Funds	903,500	903,500	903,500	903,500	903,500	903,500
Federal Funds	0	0	0	0	0	0
<b>Total Agency Funds</b>	<b>17,138,700</b>	<b>18,471,800</b>	<b>18,072,900</b>	<b>18,072,900</b>	<b>18,072,900</b>	<b>18,072,900</b>

- A)** FY 2014, the ASLD has requested a total General Fund increase of \$1,513,100. Of this amount, \$850,000 (NRCD) is intended to be ongoing. The remaining \$663,100 increase is intended for other items as follows: \$356,000 for a one-time project to implement a document processing and preservation project; \$32,100 for increased CAP Water rights fees; \$200,000 for Streambed Navigability litigation; and a one-time \$75,000 to transfer to the Federal Reclamation Trust Fund.
  
- B)** FY 2014, the ASLD has requested a total “Other Appropriated Fund” decrease of \$180,000 for the Environmental Special Plate Fund to be shifted to the General Fund.
  
- C)** FY 2015, the ASLD has requested a net General Fund decrease, from the FY 2014 level, of \$398,900. This is from the deduction of \$356,000 for the one-time document processing project as well as a \$75,000 deduction for the one-time transfer to the Federal Reclamation Trust Fund. FY 2015 also includes an additional \$32,100 increase from the FY 2014 level, for increased CAP Water rights Fees. (Net decrease to GF = \$389,900)



## Agency Summary

### STATE LAND DEPARTMENT

Maria Baier, State Land Commissioner  
 Phone: (602) 542-4621  
 A.R.S. § 37-100

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ TRUST MANAGEMENT AND REVENUE GENERATION	13,450.5	16,178.7	16,841.8	16,442.9
➤ OUTSIDE ASSISTANCE AND GRANTS	885.8	960.0	1,630.0	1,630.0
<b>Agency Total:</b>	<b>14,336.3</b>	<b>17,138.7</b>	<b>18,471.8</b>	<b>18,072.9</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	1,235.5	1,258.6	2,771.7	2,372.8
Other Appropriated Funds	11,495.1	14,976.6	14,796.6	14,796.6
Other Non Appropriated Funds	1,605.7	903.5	903.5	903.5
<b>Total Funding</b>	<b>14,336.3</b>	<b>17,138.7</b>	<b>18,471.8</b>	<b>18,072.9</b>
<b>FTE Positions</b>	<b>124.0</b>	<b>125.7</b>	<b>125.7</b>	<b>125.7</b>

**Program Summary**

**TRUST MANAGEMENT AND REVENUE GENERATION**

Maria Baier, State Land Commissioner  
 Phone: (602) 542-4621  
 A.R.S. §§ 37-201 to 37-611

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	663.7	680.1	1,343.2	944.3
Other Appropriated Funds	11,322.1	14,716.6	14,716.6	14,716.6
Other Non Appropriated Funds	1,464.7	782.0	782.0	782.0
<b>Total Funding</b>	<b>13,450.5</b>	<b>16,178.7</b>	<b>16,841.8</b>	<b>16,442.9</b>
<b>FTE Positions</b>	<b>122.0</b>	<b>123.7</b>	<b>123.7</b>	<b>123.7</b>

◆ **Goal 1** To administer Trust resources to optimize revenue over time.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Total revenue generated (in millions)	190.3	178.1	213.2	262.0	163.2	167.4
Balance in Permanent Fund (Book value in millions)	2,486.4	2,620.3	2,613.7	2,812.2	2,931.9	3,056.0
Total expendable receipts, excluding interest on permanent fund and school leases (millions)	49.0	40.9	47.1	43.4	39.8	39.5
Total annual revenue to permanent fund (millions)	121.7	133.9	161.9	198.5	119.7	124.1
Number of participation sales	1	1	0	0	1	2
Number of auctions where broker commission is paid	2	5	1	2	3	4
Percent increase in commercial leasing revenue	-12	-13	-10.4	9.6	1.4	.5
Number of sales above appraised value	1	5	3	2	3	4
Percent of total leasing revenue from long-term leases	85	85	85	85	85	85
Net present value of long-term leases (in millions)	419	420	505	500	500	500

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Cumulative percent of potential acres in Maricopa and Pima County under master plans (382,346 acres)	10.4	10.4	10.4	10.4	10.4	10.4
Percent of urban acres within municipal boundaries under conceptual plans (statewide 668,652 urban acres)	84	84	84	84	84	84
Cumulative total of conceptual plans completed under Growing Smarter (statewide, 47 communities have a minimum of 160 acres of trust land)	38	38	38	38	38	38

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of conceptual plans that have been integrated into community general plans (statewide 47 communities have a minimum of 160 acres of trust land)	23	23	23	23	23	23

◆ **Goal 3** To protect unique Trust resources and provide environmental protection to maintain the long-term value of the asset.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Acres reclassified as suitable for conservation purposes	0	0	478	0	0	0
Number of acres sold or leased for open space conservation or parkland	5,389	5,046	5,064	9,835	2,000	0
Proposed land use and disposition actions reviewed for cultural resource considerations	409	400	444	400	400	400
Number of hazardous materials sites remediated	3	5	5	5	5	5
Number of nonhazardous materials sites remediated	54	40	17	40	20	20
Amount allocated for adjudicating water rights	30,000	250,000	250,000	175,000	175,000	175,000

◆ **Goal 4** To improve the Department's efficiency in application or transaction processing by reducing processing time for sales and commercial leases by 10-20%, increase per acre earning by 10-20%.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average processing time for long-term leases (tracked by months)	50	18	22	20	19	18
New short-term lease processing time (in months)	9.5	12	8.5	12	12	12
Average processing time for sales applications (tracked by months)	28	36	22	20	20	20
In-house appraisal turnaround time (days from administrator request to receipt by section manager)	29	30	45	45	45	45
Contract appraisal turnaround time (days from administrator request to receipt by section manager)	87	90	90	90	90	90
Average trust land earnings per acre sold (in dollars)	18,641	100,000	12,488	15,000	17,000	19,000
Average trust land earnings per acre on new long-term commercial leases	192,665	200,000	6,229	15,000	17,000	19,000

◆ **Goal 5** To provide efficient internal support and coordination to enable the Department to accomplish its mission.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of findings during annual financial audit	0	0	0	0	0	0
Average score on employee satisfaction survey. (5 = very satisfied, 1 = unsatisfied)	3.5	3.6	3.5	3.6	3.6	3.6
Median number of minutes to resolve computer user problems	34	25	15	20	17	15
Percent of agency staff turnover	5	10	19	10	10	10
Administration as a percentage of total cost	6.05	6.6	6.6	6.6	6.6	6.6

◆ **Goal 6** To improve Department productivity and minimize costs through increased efficiency and risk reduction.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of employees receiving basic computer training	96	100	120	100	50	120
Number of professional training hours for staff	600	800	700	800	800	800
Number of agency's administrative policies updated or added	9	3	0	3	3	2
Percent of employees completing agency required training	97	98	97	98	99	99

◆ **Goal 7** To develop and implement measures to improve external customer service.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percentage of customers giving the department a rating above 4 (Survey rating 5 - 1; 5 = very satisfied, 1 = unsatisfied)	95	90	96	90	94	96
Number of settlement hearings vs. number of appeal hearings	1/0	2/3	8/2	6/2	7/3	5/2
Number of interactive applications available through the web site	5	16	7	7	8	9
Number of times interactive applications are accessed by the public	72,203	80,000	95,000	98,000	105,000	110,000
Number of times the web site is accessed	81,588	95,000	112,000	112,000	120,000	130,000
Number of formal public records requests vs. number of records (in thousands) pulled and researched for requests	15/150	20/125	23/295	20/450	20/100	22/195

◆ **Goal 8** To continue an effective program of land conservation of appropriate State lands while ensuring continued economic benefits to the trust.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Cumulative number of acres petitioned to be reclassified for conservation	120,032	120,032	120,032	120,032	120,032	120,032
Cumulative number of acres sold under Arizona Preserve Initiative	11,297	16,343	16,068	25,904	27,904	27,904
Number of Arizona Preserve Initiative land sale/leases	3/0	2/0	4/0	6/0	2/0	0/0
Cumulative number of acres reclassified as suitable for conservation purposes	42,511	42,511	42,829	42,829	42,829	42,829
State acres identified and/or researched for transfer under State/Federal land conservation and federal land management actions	147,376	147,000	147,114	147,000	147,000	147,000
Federal acres identified and/or researched for State acquisition under State/Federal Land conservation and land management actions	41,480	50,000	41,480	40,000	40,000	40,000

◆ **Goal 9** To improve the availability of actual information and increase analytical capabilities of the agency.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Combined parcels (surface, minerals, special permits, etc.) accessible through PALMS	64,631	65,000	63,055	63,040	63,030	63,020
Number of data sets accessible through PALMS	771	780	561	570	580	590

◆ **Goal 10** To improve internal and external communication.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average score on employee satisfaction survey regarding staff recognition, staff's understanding of expectations, the agency's communication system to staff, and feedback (Survey ratings 5 - 1; 5 = very satisfied, 1 = unsatisfied)	3.6	3.6	3.5	3.6	3.6	3.6
Percentage of customers giving the department a rating above 4 on the understandability of applications, correspondence, documents, and the clarity of information being transmitted (Survey rating 5 - 1; 5 = very satisfied, 1 = unsatisfied)	95	90	95	94	96	94
Average percentage of employees attending "All Employee" meetings	86	90	91	90	90	90
Number of agency-wide electronic notices distributed	651	850	750	800	800	800

◆ **Goal 11** To respond within established time frames, to all applications and request for land use and title research from public and staff.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Acres researched involving title transactions, special projects, lease, or contract development (in millions of acres)	3.0	3.0	4.6	5.0	5.0	5.0
Number of applications received requiring current land use or ownership research	1,153	1,200	1,162	1,200	1,300	1,300

**Program Summary**

OUTSIDE ASSISTANCE AND GRANTS

Maria Baier, State Land Commissioner  
 Phone: (602) 542-4621  
 A.R.S. Title 37

**This Program Contains the following Subprograms:**

- ▶ Arizona Center for Geographic Information, Coordination and Services
- ▶ Natural Resource Conservation Districts

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	571.8	578.5	1,428.5	1,428.5
Other Appropriated Funds	173.0	260.0	80.0	80.0
Other Non Appropriated Funds	141.0	121.5	121.5	121.5
<b>Total Funding</b>	<b>885.8</b>	<b>960.0</b>	<b>1,630.0</b>	<b>1,630.0</b>
<b>FTE Positions</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

**Subprogram Summary**

ARIZONA CENTER FOR GEOGRAPHIC INFORMATION, COORDINATION AND SERVICES

Maria Baier, State Land Commissioner  
 Phone: (602) 542-4621  
 A.R.S. §§ 37-171 to 37-176

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	181.8	188.5	188.5	188.5
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	141.0	121.5	121.5	121.5
<b>Total Funding</b>	<b>322.8</b>	<b>310.0</b>	<b>310.0</b>	<b>310.0</b>
<b>FTE Positions</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

- ◆ **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	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Datasets transferred	3,303	3,500	2,170	500	1,100	1,600
Geospatial datasets under development or revision	22	22	99	105	110	115
Datasets accessible through AGIC, ALRIS or SCO websites	148	160	193	200	210	220

- ◆ **Goal 2** To create and implement cost-effective and results-effective GIS training and information programs for Arizona public agencies.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Government employees trained	196	250	36	37	38	38
Percent of students rating training as satisfactory	92	95	96	90	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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Users accessing AGIC, ALRIS or SCO websites for information or data	111,579	118,000	316	250	300	350
Participation in coordination activities with organizations which improve access and utilization of geographic datasets	40	40	32	33	34	36

**Subprogram Summary**

NATURAL RESOURCE CONSERVATION DISTRICTS

Maria Baier, State Land Commissioner

Phone: (602) 542-4621

A.R.S. §§ 37-1001 to 37-1057

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	390.0	390.0	1,240.0	1,240.0
Other Appropriated Funds	173.0	260.0	80.0	80.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>563.0</b>	<b>650.0</b>	<b>1,320.0</b>	<b>1,320.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

- ◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
District meetings attended	80	75	64	75	80	80
Interagency meetings attended	60	75	25	30	40	50
Percent of NRCDs rating Department assistance as satisfactory	100	100	92	95	98	100

# Law Enforcement Merit System Council

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



# Arizona Law Enforcement Merit System

## **Executive Summary:**

The Law Enforcement Merit System Council adopts rules for the Department of Public Safety and the Arizona Police Officer Standards and Training Board that pertain to:

1. classification and compensation plans
2. standards and qualifications for all classified positions
3. fair and impartial selection, appointment, probation, promotion, retention and separation or removal from service by resignation, retirement, reduction in force or dismissal of covered employees
4. a performance appraisal system which is used to evaluate the work performance of covered employees
5. hearings of employee grievances related to classification, compensation and employee appraisals

The Law Enforcement Merit System Council adopts rules for all Arizona State Agencies that have a AZPOST certified full-authority police officer in a covered position that requires the certification, in regards to the procedures for the conduct of appeal hearings connected to suspension, demotion, reduction in pay and loss of accrued leave of covered employees.

The Law Enforcement Merit System Council consists of five members appointed by the Governor to serve three-year terms. Members are chosen on the basis of experience in and sympathy with merit principles of public employment.

## **Agency Mission:**

To establish, adopt and equitably administer rules which protect the interests of the State of Arizona, the agencies under the jurisdiction of the Council, and the employees of those agencies.

## **Vision Statement:**

To set the standard for merit system boards in Arizona.

## **Principles:**

- **Integrity:** honesty, transparency, highly ethical behavior
- **Consistency:** uniformity of results and outcomes
- **Efficiency:** minimize waste of time, effort and resources
- **Customer focused:** understand needs, deliver quality service, exceed expectations
- **Accountability:** responsible for actions that affect customers
- **Respect:** courtesy, consideration and empathy
- **Continuous improvement:** learn new things and improve current practices
- **Effective communication:** share information, clarify and ensure understanding

## Continuing Goals

### 1. Classification and Compensation

Establish and administer an equitable classification plan for the employees of the Department of Public Safety and the Arizona Peace Officers Standards and Training Board.

#### Strategies

- Review classifications to determine proper job description and market value
- Compare position audits to determine proper classification
- Review job descriptions to determine suitability to classification
- Take specific action on classifications

#### Performance measures:

Performance Measures	FY2012 Actual	FY2013 Estimate	FY2014 Estimate	FY2015 Estimate
Number of classification reviewed to determine proper job description and market value	28	10	10	10
Number of position audits conducted to determine proper classification	1	2	2	2
Number of job descriptions reviewed to determine suitability to classification	3	3	3	3
Number of classifications acted on by the Council	51	6	6	6

## 2. Selection, Appointment, Retention and Separation

Provide guidelines for proper selection, retention and dismissal of covered employees.

### Strategies

- Review and approve test plans for selection and promotion
- Oversee civilian promotional examinations
- Oversee sworn promotional examinations
- Track the number of challenges to civilian promotional examinations
- Track the number of challenges to sworn promotional examinations
- Track the number of civilian promotional examination appeals
- Track the number of sworn promotional examination appeals
- Track the number of examinations reviewed by employees
- Track the number of successful appeals resulting in examination score revision
- Track the number of covered employees that were dismissed

### Performance measures:

Performance Measures	FY2012 Actual	FY2013 Estimate	FY2014 Estimate	FY2015 Estimate
Number of test plans reviewed for selection and promotional processes	28	25	25	25
Number of civilian promotional examinations conducted	21	15	15	15
Number of sworn promotional examinations conducted	1	3	3	3
Number of civilian promotional examinations that result in challenges/appeals	0	0	0	0
Number of sworn promotional examinations that result in challenges/appeals	1	1	1	1
Number of employees that review tests	81	85	85	85
Percentage of employees tested that reviewed test	51	55	60	65
Number of challenges filed that result in some change to the examination or scoring	1	1	1	1
Number of covered employees dismissed	12	6	6	6

### 3. Performance Appraisal

Establish a plan for the systematic approach of evaluating the accomplishments of employees that is adaptable to all classifications and designed to accommodate change in assignments and responsibilities within the Department of Public Safety and the Arizona Peace Officers Standards and Training Board.

#### Strategies

- Track the number of employees that received above standard evaluations
- Track the number of employees that received standard evaluations
- Track the number of employees that receive below standard evaluations
- Track the percentage of employees that successfully complete probation
- Track the percentage of evaluations that are submitted in a timely fashion

#### Performance measures:

Performance Measures	FY2012 Actual	FY2013 Estimate	FY2014 Estimate	FY2015 Estimate
Number of appeals filed	5	40	40	40
Number of appeal hearings conducted	1	12	12	12
Percent of employees receiving discipline who file an appeal	18	18	18	18
Average days from receipt of an appeal until the Council issues a final order	53	30	30	30
Average cost of an appeal hearing (in dollars)	67	70	70	70
Number of rehearing requests filed	0	0	0	0

### 4. Hearings – Grievances

Provide covered employees of the Department of Public Safety and the Arizona Peace Officers Standards and Training Board with a fair and impartial and expeditious grievance hearing process.

#### Strategies

- Record number of grievances filed
- Record number of grievances heard by the Council
- Lower the average number of days from receipt of a grievance until final order
- Lower the cost of grievance reviews
- Record the number of rehearing requests filed

**Performance measures:**

<b>Performance Measures</b>	<b>FY2012 Actual</b>	<b>FY2013 Estimate</b>	<b>FY2014 Estimate</b>	<b>FY2015 Estimate</b>
Number of grievance reviews filed	2	2	2	2
Number of grievance reviews heard by Council	1	2	2	2
Average number of days from receipt of a grievance until the Council issues a final order	212	175	150	125
Average cost of a grievance review (in dollars)	136	130	130	130
Number of rehearing requests filed	0	0	0	0

**5. Hearings – Appeals**

Provide full authority officers in covered positions of all state agencies with a fair, impartial and expeditious appeal hearing process.

**Strategies**

- Record the number of appeals filed
- Track the number of appeal hearings conducted
- Record the percentage of employees receiving discipline who file an appeal
- Reduce the average number of days from receipt of an appeal until final order
- Record the average cost of an appeal
- Track the number of rehearing requests filed

**Performance measures:**

<b>Performance Measures</b>	<b>FY2012 Actual</b>	<b>FY2013 Estimate</b>	<b>FY2014 Estimate</b>	<b>FY2015 Estimate</b>
Percent of performance evaluations issued that received an exceeds standard rating	37	38	39	40
Percent of performance evaluations issued that received a standard rating	45	47	49	51
Percent of performance evaluations issued that received a below standard rating	2	2	2	2
Percent of new hires that complete probation	70	70	70	70
Percent of evaluations that are submitted in a timely fashion	74	80	85	90

**Short Term Goals**

**1. Satisfy Funding Issues**

Due to the recent personnel reform, apply for and receive funding from the legislature which will provide funding of a full time staff position, increased Council Member costs and allow for replacement of aging office equipment.

**Strategies**

- Permanently fund a full time staff position
- Provide adequate funding to cover increased Council Member administrative costs
- Allow funding to purchase replacement office equipment

**Performance measures:**

<b>Performance Measures</b>	<b>FY2013 PASS/FAIL</b>
Permanently fund a full time staff position	
Ensure enough funding to cover Council member administrative costs	
Allow funding to purchase new office equipment	

## 2. Modify existing LEMSC Rules

Modify the current LEMSC Appeals Section Rules to comply with the mandated Personnel Reform.

### Strategies

- Obtain approval of the revised Rules from the Governor's Regulatory Review Council
- Publish the updated Rules
- Disseminate the new Rules to the appropriate agencies and employees

### Performance measures:

Performance Measures	FY2013 PASS/FAIL
Obtain Governor's Regulatory Review Council approval of revised rules	
Publish updated rules	
Disseminate new rules to appropriate agencies and employees	

## 3. Create and maintain a LEMSC Internet presence

Successfully obtain a permanent and updateable Internet presence.

### Strategies

- Ensure that a prominent and visible LEMSC Internet link is created on the DPS website
- Ensure that all linked pages are functioning properly
- Update the LEMSC web page contents as necessary

### Performance measures

Performance Measures	FY2013 PASS/FAIL
Ensure prominent LEMSC link is visible on Department of Public Safety website	PASS
Ensure all linked pages are functioning properly	
Update web page contents as necessary	

## Resource Assumptions

<b>RESOURCE ASSUMPTIONS</b>						
	<b>FY2012 Appropriation</b>	<b>FY2013 Budget Request</b>	<b>FY2014 Estimate</b>	<b>FY2015 Estimate</b>	<b>FY2014 Estimate</b>	<b>FY2015 Estimate</b>
Full-Time Equivalent (FTE) Positions	1	1	1	1	1	1
General Fund	\$70,200	\$72,100	\$78,674	\$78,763	\$81,563	\$84,363
Total Agency Funds	\$70,200	\$72,100	\$78,674	\$78,763	\$81,563	\$84,363



### Agency Summary

#### LAW ENFORCEMENT MERIT SYSTEM COUNCIL

Captain Ramon Figueroa, Business Manager  
 Phone: (602) 223-2286  
 A.R.S. §§ 41-1830.11 to 41-1830.15/16

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	66.2	70.5	79.1	79.8
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>66.2</b>	<b>70.5</b>	<b>79.1</b>	<b>79.8</b>
<b>FTE Positions</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

- ◆ **Goal 1** To establish and administer an equitable classification and compensation plan for the employees within the Department of Public Safety and Arizona Peace Officers Standards and Training.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of classifications reviewed to determine proper job description and market value	35	10	28	10	10	10
Number of position audits conducted to determine proper classification	1	2	1	2	2	2
Number of job descriptions reviewed to determine suitability to classification	9	5	3	3	3	3
Number of classifications acted on by the Council	0	0	51	6	6	6

**Explanation:** Agency review of special duty assignment pay issues

- ◆ **Goal 2** To provide guidelines for proper selection, retention and dismissal of covered employees within the Department of Public Safety and Arizona Peace Officers Standards and Training.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of test plans reviewed for selection and promotional processes	17	23	28	25	25	25
Number of covered employees dismissed	4	4	12	6	6	6
Number of civilian promotional examinations conducted	0	0	21	15	15	15

**Explanation:** 2012 increase due to civilian hiring

Number of sworn promotional examinations conducted	0	0	1	3	3	3
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**Explanation:** Estimate increase due to loss of personnel through retirement

Number of civilian promotional examinations that result in challenges/appeals	0	0	0	0	0	0
Number of sworn promotional examinations that result in challenges/appeals	0	0	1	1	1	1

**Explanation:** Promotional processes have begun again

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of employees that review tests	0	0	81	85	85	85
<b>Explanation:</b> New performance measure						
Percentage of employees tested that review tests	0	0	51	55	60	65
<b>Explanation:</b> New performance measure						
Number of challenges filed that result in some change to the examination or scoring of the examination	0	0	1	1	1	1
◆ <b>Goal 3</b> To provide full authority peace officers in covered positions of all state agencies with a fair, impartial and expeditious appeal hearing process						
Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of appeals/grievances filed	1	5	5	40	40	40
<b>Explanation:</b> Estimate increase due to addition of more agencies						
Number of appeal hearings conducted	3	4	1	12	12	12
<b>Explanation:</b> Estimate increase due to addition of more agencies						
Percent of employees receiving discipline who file an appeal	9	10	18	18	18	18
<b>Explanation:</b> Estimate increase due to addition of more agencies						
Average days from receipt of an appeal/grievance until the Council issues a final order	177	120	53	30	30	30
<b>Explanation:</b> Rise in days due to extended final RIF hearing/completion						
Average cost of an appeal/grievance hearing (in dollars)	461	461	67	70	70	70
<b>Explanation:</b> Estimate increase due to personnel reform addition of three new council members and required payments for five FY 2012 reduction due to part time salary of staff Lower cost due to appeal/grievance withdrawal prior to hearing						
Number of rehearing requests filed	0	0	0	0	0	0
◆ <b>Goal 4</b> To provide covered employees of the Department of Public Safety and Arizona Peace Officers Standards and Training with a fair, impartial and expeditious grievance hearing process						
Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of grievance reviews filed	10	10	2	2	2	2
Number or grievance reviews heard by Council	0	2	1	2	2	2
Average number of days from receipt of a grievance until the Council issues a final order	0	0	212	175	150	125
<b>Explanation:</b> High due to hold over case from RIF						
Average cost of a grievance review (in dollars)	0	0	136	130	130	130
Number of rehearing requests filed	0	0	0	0	0	0
◆ <b>Goal 5</b> To establish a plan for the systematic approach of evaluating the accomplishments of employees that is adaptable to all classifications and designed to accommodate change in assignments and responsibilities within the Department of Public Safety and Arizona Peace Officers Standards and Training.						

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of performance evaluations issued that received an exceeds standard rating	0	0	37	38	39	40
Percent of performance evaluations issued that received a standard rating	0	0	45	47	49	51
Percent of performance evaluations issued that received a below standard rating	0	0	2	2	2	2
Percent of new hires that complete probation	0	0	70	70	70	70
Percent of evaluations that are submitted in a timely fashion	0	0	74	80	85	90

# Legislative - Auditor General

- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Agency Summary

### LEGISLATIVE - AUDITOR GENERAL

Debbie Davenport, Auditor General  
 Phone: (602) 553-0333  
 A.R.S. § 41-1279

**Mission:**

*To improve state and local government operations and accountability by independently providing the Legislature, government decision-makers, and the public with timely, accurate, and impartial information; relevant recommendations; and technical assistance.*

**Description:**

The Auditor General is appointed by the Joint Legislative Audit Committee and approved by a concurrent resolution of the Legislature. By law, the Auditor General is required to express an opinion on the financial statements of audited entities, and determine compliance with applicable federal and Arizona laws and conduct comprehensive performance evaluations of state agencies and the programs they administer. In addition, the Auditor General is required to conduct performance audits of school districts and monitor the percentage of dollars spent in the classroom. Beginning in fiscal year 2006-2007, the Legislature appropriated monies for the Auditor General to conduct performance and financial audits of English Language Learner programs.

**Funding:**

	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	13,625.2	17,240.1	17,240.1	17,240.1
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	2,380.1	1,867.8	1,867.8	1,867.8
<b>Total Funding</b>	<b>16,005.3</b>	<b>19,107.9</b>	<b>19,107.9</b>	<b>19,107.9</b>
<b>FTE Positions</b>	<b>204.5</b>	<b>204.5</b>	<b>204.5</b>	<b>204.5</b>

◆ **Goal 1** To use efficient and value-added processes to ensure our reports are issued in a timely manner

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percentage of single audit reports accepted by cognizant agency	100	100	100	100	100	100
External quality control review resulted in a clean opinion (triennial review).	NA	NA	NA	Yes	NA	NA

◆ **Goal 2** To identify and communicate on high-impact issues

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percentage of administrative recommendations implemented or adopted within two years for performance audits	99	90	89	90	90	90
Percentage of single audit recommendations implemented or adopted within one year for financial audits	60	65	48	65	65	65
Percentage of legislative recommendations implemented or adopted within two years	100	60	78	60	60	60

◆ **Goal 3** To hire, develop, and retain a high-quality workforce

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percentage of staff turnover	8	20	15	20	20	20

# Legislative - Legislative Council

- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Agency Summary

### LEGISLATIVE - LEGISLATIVE COUNCIL

Michael Braun, Executive Director  
Phone: (602) 926-4236  
A.R.S. §§ 41-1301 to 41-1307

#### Mission:

*To provide quality legal, research, computer and administrative services to the Arizona Legislature.*

#### Description:

The Legislative Council staff performs the following core functions: drafting of legislative bills, memorials, resolutions, and amendments; review and possible revision of each legislative enactment for technical corrections prior to publication of the Arizona Revised Statutes; enrolling and engrossing of bills and processing of legislative journals; conducting legal research; and operating the legislative computer system.

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	4,329.2	7,884.7	7,884.7	7,884.7
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,329.2</b>	<b>7,884.7</b>	<b>7,884.7</b>	<b>7,884.7</b>
<b>FTE Positions</b>	<b>42.8</b>	<b>42.8</b>	<b>42.8</b>	<b>42.8</b>

**Program Summary**

LEGISLATIVE COUNCIL

Michael Braun, Executive Director  
 Phone: (602) 926-4236  
 A.R.S. §§ 41-1301 to 41-1307

**Mission:**

*To provide quality legal, research, computer and administrative services to the Arizona Legislature.*

**Description:**

The Legislative Council staff performs the following core functions: drafting of legislative bills, memorials, resolutions, and amendments; review and possible revision of each legislative enactment for technical corrections prior to publication of the Arizona Revised Statutes; enrolling and engrossing of bills and processing of legislative journals; conducting legal and public policy research; and operation of the legislative computer system.

◆ **Goal 1** To provide timely and accurate processing of all work products.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of positive survey ratings regarding accuracy of bill drafting	99	100	99	100	100	100
Percent of positive survey ratings regarding timeliness of bill drafting	98	99	97	98	99	100
Percent of positive survey ratings regarding accuracy of legal research	99	100	98	99	100	100
Percent of positive survey ratings regarding timeliness of legal research	98	99	98	94	95	96

◆ **Goal 2** To increase awareness of Legislative Council's functions among legislators, legislative staff, state agencies and lobbyists.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of survey respondents indicating awareness of Legislative Council's bill drafting function	99	100	100	100	100	100
Percent of survey respondents indicating awareness of Legislative Council's legal research function	95	96	96	97	98	99

◆ **Goal 3** To increase the comfort level of all legislative computer users through training and support.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of positive survey ratings regarding accuracy of computer help desk	98	99	98	99	100	100
Percent of positive survey ratings regarding timeliness of computer help desk	98	99	99	100	100	100



**Program Summary**

**OMBUDSMAN CITIZENS AIDE OFFICE**

Dennis Wells, Ombudsman-Citizens' Aide  
 Phone: (602) 277-7292  
 A.R.S. § 41-1371 et. seq.

**Mission:**

*To improve the effectiveness, efficiency and responsiveness of government by receiving public complaints, investigating the administrative acts of state agencies, recommending fair and appropriate remedies and investigating matters relating to public access to government records and meetings throughout Arizona.*

**Description:**

The Office of the Ombudsman-Citizens' Aide is a seven person independent agency in the legislative branch of Arizona State Government. The Office receives citizen complaints about the administrative acts of state agencies. The Office investigates citizen complaints and, when they are justified, works with the complainant and agency to help them resolve the problem in a mutually agreeable manner. Although the Office cannot change an agency's decision nor direct it to take action, it can make findings and offer recommendations to the agency. The Office also helps citizens by coaching them on how they can best resolve their problem on their own and providing other forms of assistance when the problem can be resolved without going through the time and expense of an investigation. In addition, the office investigates complaints about public access to records and meetings at all levels of government throughout Arizona. The Office provides reports of its activities to the legislature, governor and public.

◆ **Goal 1** To help more citizens redress their legitimate grievances with state agencies.

◆ **Goal 2** To respond to citizen complainants in a timely manner.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of initial responses to citizen inquiries made within two business days	99	98	100	98	99	99
Percent of notices of investigation sent within 30 days	96	97	98	97	97	97
Percent of investigations completed within 3 months	97	94	93	94	94	94
Percent of citizens responding "strongly agree" or "agree" to timeliness question on customer satisfaction survey	100	90	94	92	92	92

◆ **Goal 3** To prevent recurrence of similar complaints by identifying and correcting patterns of undesirable administrative practices.


<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of recommendations accepted by agencies	88	87	88	87	86	86

◆ **Goal 4** To provide courteous and impartial service to citizens.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of citizens responding "agree" or "strongly agree" to courtesy question on survey	100	98	100	98	98	98
Percent of citizens responding "strongly agree" or "agree" to impartially question on the customer satisfaction survey	93	98	97	98	98	98

# Department of Liquor Licenses and Control

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



State of Arizona  
Department of Liquor Licenses and Control

**Five-year Strategic Plan FY 2013 - 2018**  
(November 19, 2012)

**Mission Statement:** To protect public safety and support economic growth through the responsible sale and consumption of liquor, and to efficiently license qualified applicants.

**Agency Description:** With the repeal of the Volstead Act and the end of Prohibition in 1933, the 21st Amendment to the U.S. Constitution gave individual states the right to choose their own system for regulating alcoholic beverages. Arizona regulated businesses that deal in spirituous liquor under the State Tax Commission until 1939 when the Arizona Legislature established the Department of Liquor Licenses and Control. The three divisions of the department include Licensing, Investigations and Administration. Operating independently from the department of Liquor is the Arizona State Liquor Board.

The Investigations Division responds to public safety and liquor law violation complaints, issues citations (administrative, civil and criminal), files police reports, conducts routine inspections at approximately 11,800 liquor-licensed locations, and facilitates Title 4 (Arizona liquor law) and fraudulent identification education courses for law enforcement and civilian audiences. Investigations and compliance actions are conducted in collaboration with the Attorney General's Office which prosecutes civil and criminal court cases within the State. Investigators collaborate with the Governor's Office of Highway Safety, Department of Public Safety, sheriff's offices and local law enforcement agencies to create task forces to, primarily, reduce the sale of liquor to underage persons and ensure public safety.

The Licensing Division processes approximately 16,300 transactions annually including initial applications, renewals, and updates to active licenses. Customer Service Representatives assist applicants and licensees expedite the application process and to keep records accurate and current. Licensing records are maintained in a manner that promotes easy access to the public via the agency's website and for use agency-wide.

The Administrative Division collects annual revenue from license fees and fines of which approximately of \$7.5 million is deposited into the state General Fund, approximately \$1.5 million is distributed to counties and state agencies. Liquor-licensed restaurants are audited for compliance with laws which differentiate them from operating as a bar. The agency website is kept relevant, accurate and current to improve compliance with Arizona liquor laws and inform stakeholders about education, public meetings, and industry changes that can impact their communities.

Finally, the Department is responsive to all Arizona citizens who are served and affected by the licensees. For legislative, policy, and rules issues, the department meets frequently with the Arizona Licensed Beverage Association, Arizona Beer and Wine Association, Arizona Grocers Association, Arizona Hotel and Motel Association, Arizona Restaurant Association and various neighborhood and civic organizations statewide.

**Strategic Issues:** The Department of Liquor has identified three strategic issues that follow:

**Issue #1 – Records Management (eLicensing), retention and Public Records:**

Records management (eLicensing) - The agency's current licensing records system has served the staff and stakeholders since our state had a total of 8,537 licensed establishments. Due to an increase of 3,300 licenses (currently approaching 11,800 licenses) and due to the development and efficiency of electronic license processing and fee transaction technology, a web-based application is scheduled to replace the department's sixteen (16) year old licensing system. An eLicensing Information System (ELIS) is being developed in collaboration with ASET and NIC/CAVU-IDS. Configuration, data conversion and training are critical, necessary, and time-consuming components of this upgrade. The Department of liquor will consider the eLicensing upgrade to be successful when the replacement system offers electronic application, renewal, and payment options. Due to the complexity of this undertaking, the date of completion is still under consideration.

Records Retention and Public Records – To improve the agency's ability to access, destroy and archive records, electronic files require uniform, agency-wide naming standards and file architecture. The department is currently working with the Arizona State Library, Archives and Public Records to ensure compliance with state law. Already in place is an electronic public request form on the agency's website and a completely electronic tracking and response system. The Department of Liquor will consider the records retention to be efficient when policy for uniform, agency-wide naming standards and file architecture is written and implemented.

**Issue #2 – Investigations Staffing:**

To ensure public safety and liquor law compliance in and around the 11,800 licensed establishments statewide which is a liquor license to officer ratio of 785:1. The Investigations Division has asked to increase the number of sworn officers by two in 2014 and two in 2015. The additional officers will enhance the agency's reach in enforcement and education. The Department of Liquor will consider the Investigations Division staffing needs to be resolved when the liquor license to officer ratio is closer to FY 1940 which was 92:1.

**Issue #3 - Proposed Rulemaking:**

The current rules (A.A.C. Title 19) are antiquated, disorganized and, in some cases, irrelevant due to the fact that they have not had a complete rewrite in approximately 25 years. Immediately and prior to the January 2008 Regulatory Review Plan Moratorium, DLLC submitted a complete rules rewrite to the Governor's Regulatory Review Counsel (GRRC). In August 2010, DLLC requested an exemption to the moratorium. In response to that request, the Governor's Office requested that DLLC ensure that no financial burden was imposed on the spirituous liquor industry and that there was industry collaboration and support. The department met with industry leaders in an effort to solicit comments and input regarding the proposed rules. Since that time, an industry member's letters of support was submitted to the Governor's Office that subsequently granted an exemption to the moratorium, a final version of the proposed rules has been submitted to the Secretary of State, and an oral proceeding is scheduled for December 18, 2012. The

Department of Liquor will consider the rules rewrite a success when the new rules go into effect which is estimated to occur by June or July 2013.

**Resource Assumptions:**

Resource Assumptions						
	FY 2012 Appropriation	FY 2013 Appropriation	FY 2014* Appropriation	FY 2015** Appropriation	FY 2016 Appropriation	FY 2017 Appropriation
Full Time Equivalent	45.5	45.2	47.2	49.2	49.2	49.2
General Fund						
Other Appropriated Funds	2,815,600	2,850,400	3,048,800	3,254,000	3,254,000	3,254,000
(2012 27 Pay Periods)	75,000					
Non-Appropriated Funds	842,700	885,200	875,200	875,200	875,000	875,000
Federal Funds	113,500					
Total Agency Funds	3,846,800	3,735,600	3,854,000	4,139,200	4,139,200	4,139,200

\*FY 2014 appropriation is dependent upon a budget request of \$198,400 being granted in order to hire two new investigators.

\*\*FY 2015 appropriation is based on hiring two investigators in 2014 and two additional investigators being hired in 2015. \$205,200 was requested for FY 2015.

## Agency Summary

### DEPARTMENT OF LIQUOR LICENSES AND CONTROL

Alan Everett, Director  
 Phone: (602) 542-9020  
 A.R.S. § 4-111 et seq.

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ ADMINISTRATION	4,949.2	913.8	917.2	919.3
➤ INVESTIGATIONS	1,267.0	1,080.7	1,275.7	1,278.4
➤ LICENSING	844.1	855.9	855.9	857.9
<b>Agency Total:</b>	<b>7,060.3</b>	<b>2,850.4</b>	<b>3,048.8</b>	<b>3,055.6</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	2,895.6	2,850.4	3,048.8	3,055.6
Other Non Appropriated Funds	4,164.7	0.0	0.0	0.0
<b>Total Funding</b>	<b>7,060.3</b>	<b>2,850.4</b>	<b>3,048.8</b>	<b>3,055.6</b>
<b>FTE Positions</b>	<b>45.2</b>	<b>45.2</b>	<b>47.2</b>	<b>47.2</b>

**Program Summary**

ADMINISTRATION

Pearlette Ramos, Assistant Director  
 Phone: (602) 542-9021  
 A.R.S. Title 4

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	927.3	913.8	917.2	919.3
Other Non Appropriated Funds	4,021.9	0.0	0.0	0.0
<b>Total Funding</b>	<b>4,949.2</b>	<b>913.8</b>	<b>917.2</b>	<b>919.3</b>
<b>FTE Positions</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>

◆ **Goal 1** To perform restaurant audits expeditiously

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of days to complete an audit	1	2	8	20	20	20

◆ **Goal 2** To ensure timely and accurate reporting of revenue and expenses

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of liquor law compliance cases processed in less than 90 calendar days	98	95	100	99	99	99

**Explanation:** Compliance should be in Investigations not Administration

Revenue and Expense reports to be completed by the 15th of the month	0	0	100	98	98	98
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◆ **Goal 3** To ensure timely payment of invoices.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
To pay all invoices within 30 days of receiving invoice	100	100	100	98	98	98

◆ **Goal 4** To set hearings before the State Liquor Board in a timely manner

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of hearings set within the statutory time frame	98	100	100	98	98	98

◆ **Goal 5** To recruit, develop and retain talented staff and support their commitment to excellence.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Encourage personal and professional growth by providing training to all employees	0	0	3	3	3	3

**Program Summary**

INVESTIGATIONS

Joe Vernier, Deputy Director  
 Phone: (602) 542-9076  
 A.R.S. § 4-112, 4-113, 4-213

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,124.2	1,080.7	1,275.7	1,278.4
Other Non Appropriated Funds	142.8	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,267.0</b>	<b>1,080.7</b>	<b>1,275.7</b>	<b>1,278.4</b>

<b>FTE Positions</b>	<b>21.2</b>	<b>21.2</b>	<b>23.2</b>	<b>23.2</b>
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- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of investigations completed resulting in compliance actions	754	750	948	950	950	950
Number of random liquor inspections completed	2,098	2,500	2,315	2,400	2,400	2,400

- ◆ **Goal 2** To process investigative complaints quickly and efficiently.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average number of calendar days to complete an investigative complaint	30	35	30	35	35	35

- ◆ **Goal 3** To conduct Title 4 training to police officers as well as business associates

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of training classes conducted	10	30	4	4	4	4

- ◆ **Goal 4** To resolve compliance cases so that fewer cases go to hearing

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of compliance cases sent to hearing	0	0	7	10	10	10



**Program Summary**

LICENSING

Connie Wagner, Assistant Director  
 Phone: (602) 542-9055  
 A.R.S. Title 4

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	844.1	855.9	855.9	857.9
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>844.1</b>	<b>855.9</b>	<b>855.9</b>	<b>857.9</b>
<b>FTE Positions</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>

- ◆ **Goal 1** To track number of newly issued licenses, transferred licenses and renewal transactions to measure increase/decrease in annual license activity.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of new licenses, transferred licenses, and renewals issued	13,281	13,500	12,986	13,000	13,000	13,000
Percent of surveyed licensees reporting very good or excellent service	87	85	87	85	85	85

- ◆ **Goal 2** To maintain accurate document history on license files

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of errors found in imaged documents	0	0	1	2	2	2

- ◆ **Goal 3** To demonstrate quality and efficiency in customer service when processing documents

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
CSRs maintain an 85% or better average in processing documents	0	0	87	85	85	85

# Lottery

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## STRATEGIC PLAN OF THE ARIZONA LOTTERY

The Arizona Lottery was approved by a statewide public initiative in November 1980, becoming the first legal, state-administered lottery west of the Mississippi. Although the initial approval margin was slim, subsequent referendums have shown high public support. In November 2002, 73% of Arizonans voted to continue the Lottery for an additional 10 years.

As a result of legislative action during the 2010 Legislative 6<sup>th</sup> Special Session, the original, voter established lottery was replaced by a legislatively established lottery (ARS Chapter 5.1). The principal reason for this action was to ensure the existence of the Lottery for another twenty-five years so as to allow the state to issue bonds based on future Lottery revenue. Another reason was the Legislature's recognition that voters had spoken clearly on the existence of the State Lottery in numerous elections since 1980. On July 1, 2012, the statutorily established Lottery officially began operations. This "new" Lottery will be subject to sunset in 2035.

Since 1981, the Arizona Lottery has paid out more than \$5 billion in prizes to players, over \$2.8 billion in net profit to state programs & services, and almost \$591 million in commissions to retailers. Lottery sales hit a record-breaking \$646.7 million in fiscal year 2012 and marked an all-time high of \$164.7 million dollars generated for beneficiaries throughout the State.

### **Beneficiaries**

The Arizona Legislature determines the allocation of all lottery funds. The Lottery's transferable revenues from operations are dedicated to public projects and programs focusing on education, economic and business development, environmental issues, and health and public welfare. These programs benefit cities and towns in all 15 counties throughout the state of Arizona.

Detailed information about the *How the Money Helps* program can be found on the Arizona Lottery website at [www.azlottery.com](http://www.azlottery.com).

### **Mission**

"To support Arizona programs for the public benefit by maximizing net revenue in a responsible manner."

### **Agency Description**

The Arizona Lottery was established to maximize net revenue dedicated to various beneficiaries assigned through a statutory distribution formula. With an advisory commission and an Executive Director appointed by the Governor overseeing operations, the Lottery works with a retailer network to provide players with innovative, entertaining, and rewarding games.

## Core Values

The Lottery's Core Values support the Lottery's mission: guiding business processes, clarifying who we are, articulating what we stand for, explaining why we do business the way we do, informing us on how to reward, guiding us in making decisions, underpinning the entire organization. The Core Values of the Arizona Lottery are:

**Integrity** - Consistently demonstrating accountability, honesty and strong principles of character, through strong work ethic, fiscal responsibility and professional conduct. Avoiding conflict of interest and maintaining accountability.

**Teamwork** – Treating each other with mutual respect through cooperation and collaboration, to develop a unified culture where communication is open and everyone is treated with respect and is working together to achieve agency goals.

**Excellence in Customer Service** – Providing world class service: striving to exceed expectations and to achieve excellence. Demonstrating excellence through quality service in every interaction and continuing our dedication to our internal and external customers

**Mutual Respect** – Valuing the diversity and encouraging everyone's unique contributions.

**Accountability**- Responsibility of our actions that influence the lives of our customers and fellow workers.

**Innovation** – Responsive to the market and continuing to offer new and exciting products to our customers.

**Committed** – Dedicated to advance great products, service and other initiatives that impact lives both within and outside the agency.

**Passionate** – Creating FUN to make a positive impact on people's lives.

A successful Lottery means all individuals have the knowledge, motivation and capability to excel individually and to join with team members in other departments to maximize net revenue.

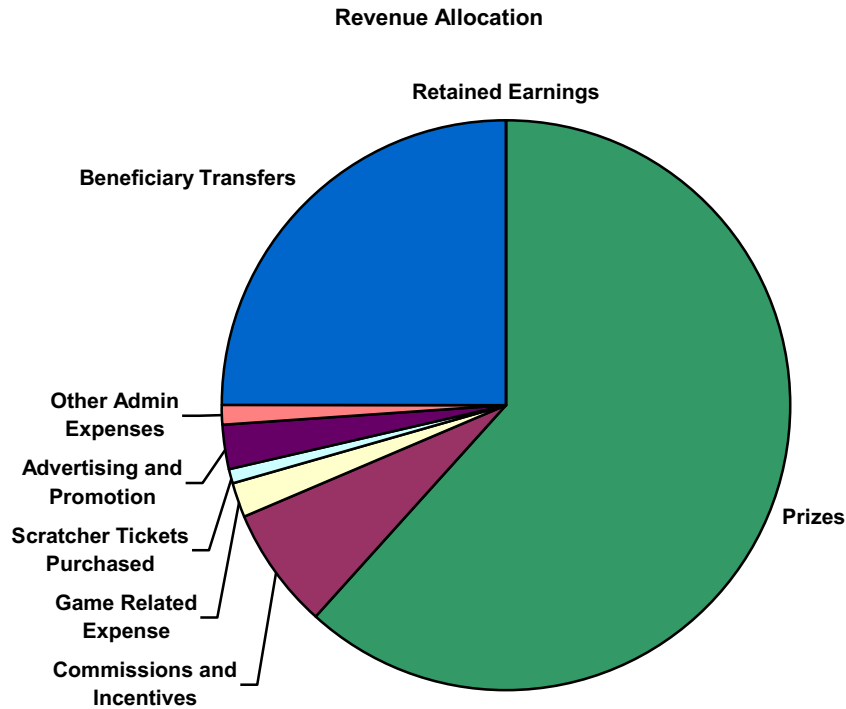
**Arizona Lottery Statutory Beneficiaries**

(Dollar amounts in Thousands)

	FY 2012	Total FY'82 - FY'12
<b>Revenues</b>		
Scratchers Sales	409,776.7	4,367,994.0
Instant Tab Sales	3,270.1	4,281.8
On-Line Sales	233,628.6	4,805,092.7
Total Ticket Sales	646,675.5	9,177,368.5
Other Revenue		21,138.4
<b>Total Revenue</b>	646,675.5	9,198,506.9
<b>Prize Expense</b>	399,712.1	5,006,235.4
<b>Retailer Commissions</b>	43,788.5	594,147.5
<b>Beneficiary Distribution</b>		
Local Transportation Assistance		638,582.2
County Assistance Fund		179,436.9
Heritage Fund	10,000.0	394,674.2
Economic Development Fund	3,500.0	72,874.4
Mass Transit	11,200.0	108,983.7
State General Fund	106,149.7	1,138,997.8
State General Fund / Appropriated Transfer		62,282.6
Healthy Arizona	19,271.4	160,278.6
University Bond Fund	10,299.0	16,262.9
Department of Gaming	300.0	2,400.0
Homeless Shelters	1,000.0	4,000.0
Total Revenue Transfers	161,720.1	2,778,773.3
CASA Transfer	2,997.9	44,665.2

## Revenue Allocations

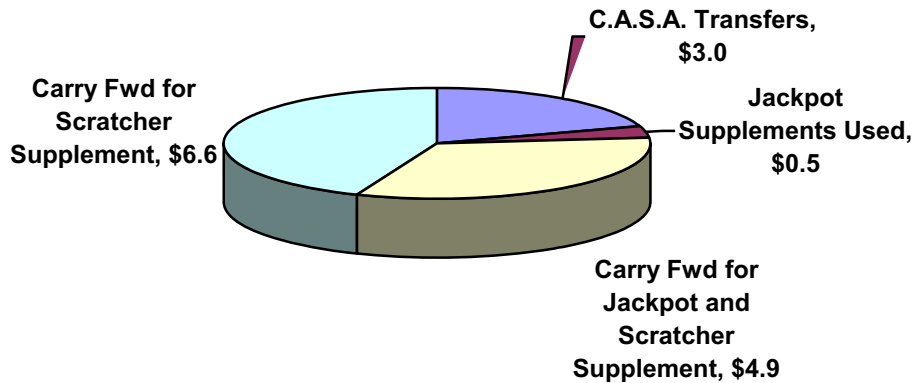
Total revenues for 2012, consisting of ticket sales, other operating income and non-operating revenue totaled \$646,675,473. This revenue was allocated as illustrated below.



## Unclaimed Prize Distribution

Unclaimed prizes from all games totaled \$9,993,931 in fiscal year 2012. As state statutes mandate that 30% of these monies go to the Court Appointed Special Advocate (CASA) and the remainder be held in a trust fund for future prizes to be returned to players. In 2012, the use of unclaimed prizes is illustrated below.

### Use of Unclaimed Prizes - 2012 Millions



## Products

### Instant Games:

#### Scratchers

Instant scratch-off games, sold at all lottery retailer locations, represent 63.7 % of the Lottery's market share. Players remove the latex covering on the ticket to reveal the play and prize symbols. Tickets are available in a variety of play styles and themes. Games are currently offered at \$1, \$2, \$3, \$5, \$10 and \$20 price points. The top prize available on a game will vary based on the price point of the game. Overall odds of winning a prize are approximately 1 in 4.

#### Instant Tabs

Instant pull-tab games are sold at licensed charitable organizations. Players open the paper tabs to determine if it is a winning ticket. Tickets are priced for multiple plays at 25¢, 50¢ and \$1 with top prizes of a few hundred dollars. Prizes must be redeemed on the day of purchase and only at the location where the ticket was purchased.

### Drawing Games-- Multi-State Jackpot Games:

#### Powerball®

Powerball is a number drawing game that is offered by the Multi-State Lottery Association (MUSL) and administered by each of the 33 member lotteries. Each state provides its own operational, technical, security and sales support to administer the

game. Other than membership dues and each participant's share of the jackpot funding, all proceeds from the games are retained within each jurisdiction.

Powerball currently is a game in which five white numbers from 1 to 59 plus one red number from 1 to 35 are selected as a game play. The jackpots start at \$40 million and grow a minimum of \$10 million each drawing until won. In addition to the multi-million dollar jackpot, there are nine other ways to win, with prizes ranging from \$4 to \$1 million. All prizes, except the jackpot, have fixed prize values. Drawings are held two nights a week, Wednesday and Saturday. Tickets may be purchased for up to 10 consecutive drawing dates. Tickets are \$2 per game play and represents 16.2% of the Lottery's market share.

Power Play® is a special feature that allows a winner to increase the original prize amount. For an extra \$1 at the time of Powerball purchase, players winning any prize other than the jackpot will win a larger cash prize.

### **Mega Millions®**

A multi-state lottery game currently sold in 44 jurisdictions. Unlike the MUSL organization with a central administration, Mega Millions duties are shared by member states as part of their membership in the game.

Mega Millions currently is a game in which five numbers from 1 to 56 and one number from 1 to 46 are selected as a game play. You win the jackpot by matching all six winning numbers in a drawing. The jackpots start at \$12 million and grown each drawing until won. There are eight other prizes ranging from \$2 to \$250,000. Drawings are held two nights a week, Tuesday and Friday. Tickets may be purchased for up to 10 consecutive drawing dates. Tickets are \$1 per game play and represents 8.7% of the Lottery's market.

Megaplier is an add-on feature to the Mega Millions game that allows a winner to increase the value of prizes won by the amount of a multiplier number. For an extra \$1 at the time of purchase, players winning any prize other than the jackpot will increase their prize by 2x, 3x or 4x depending on the multiplier number drawn.

### **In-State Jackpot Games:**

#### **The Pick™**

The Pick™ is Arizona's in-state jackpot game. The jackpot starts at \$1 million and continues to grow until won. In addition to the jackpot, there are three other ways to win by matching three, four or five of the numbers drawn. Players select six numbers from 1 through 44 as a game play. Drawings are held two nights a week, Wednesday and Saturday. Tickets may be purchased for up to 10 consecutive drawing dates. Tickets are \$1 per game play and represent 5.4% of the Lottery's market share.



**Fantasy 5™**

This is a daily drawing game with a jackpot starting at \$50,000. Players select five numbers from 1 through 41 as a game play. Approximately one in every ten tickets will be designated as a DOUBLE at no additional cost to the player. Any prize won on a DOUBLER ticket, except the jackpot, will be doubled. Drawings are held six nights a week, Monday through Saturday. Tickets may be purchased for up to 12 consecutive drawing dates. Tickets are \$1 per game play.

**Daily Cash Games:****Pick 3™**

A daily numbers game where players select three numbers from 0 through 9, and then choose how they want to play those numbers, Straight, Box, Straight/Box, Front Pair or Back Pair. The play type determines the amount of money won. Drawings are held six nights a week, Monday through Saturday. Tickets may be purchased for up to 12 consecutive drawing dates. Tickets may be purchased for \$1 per play or two plays for a \$1.

**Weekly Winnings™**

Weekly Winnings™ is a twice weekly drawing game. Each ticket contains six sets of four numbers as a game play. Players may only select the first set of four numbers and the terminal will generate five additional sets of four numbers. Each \$2 ticket offers six ways to win. Tickets may be purchased for up to 10 consecutive drawing dates. Drawings are held every Tuesday and Friday.

**2by2™**

A daily drawing game with a \$20,000 top prize, players select two red numbers from 1 to 26 and two white numbers from 1 to 26. There are eight ways to win on this game. Drawings are held six nights a week, Monday through Saturday. Tickets may be purchased for up to 12 consecutive drawings. Tickets are \$2 per game play.

**Strategic Issues and Strategies:****Issue 1 *Increase Funding For Arizona Programs***

Increasing sales is always a priority for the Lottery since funding for the state programs is based on net revenue generated from Lottery game sales. Despite the state's economic environment, overall sales for FY12 were \$646.7 million, an increase of 10.8% over FY11. Lottery transferable revenue distributions to beneficiaries also increased over FY11 by over \$18 million.

While trends vary by game, total on-line draw sales for FY12 increased by approximately 11.7% from the last fiscal year. The Lottery's two multi-state games are key contributors to drawing game revenue. Drawing games are largely jackpot-driven, so the frequency of jackpots can have a significant impact on sales in any given year. In FY12 the Multi-State Lottery implemented changes to the Powerball game, which has resulted in a 17% increase in revenue. Drawing games allow for a greater profit margin, therefore a higher return to beneficiaries. To increase sales and beneficiaries transfers In FY13–17, in-state drawing games will be evaluated and introduced or removed from market based on performance analysis, player/game research and vendor input. The rotation of drawing games into and out of market will occur every 18 to 24 months.

Instant tickets continue to perform extremely well, generating a 10% increase over FY11. This growth is largely due to the ability to dedicate a greater percentage of gross revenue to player prizes, improved game design, targeted advertising, strategic alignment of marketing and sales efforts and varied market presence for higher price point games (\$5, \$10 and \$20). Strategic targeted research along with input from industry experts routinely provides strategies to increase sales and beneficiaries transfers. During FY13-17 the Lottery will sustain this strategy along with further research player/product and messaging research.

### ***Issue 2 Future Sales Growth Challenges***

The Lottery has demonstrated significant sales gains over the past several years, despite the economic challenges facing Arizona. This success was accomplished through game design, introduction, prize payout and price point strategies; aligned and targeted sales and marketing efforts and optimization of market reach. These strategies will continue. However, this growth is not sustainable with the current resources.

As the agency prepares for a slowing sales trend, product improvements will not be enough; the Lottery will need to consider other methods of increasing sales. These methods could include improving productivity at existing retailers, new retail environments, or potentially offering a new type of product. The ability to implement these strategies is dependent on sufficient resources. As an example, to grow the retail base it would require additional sales support and compliance personnel. The Lottery already conducts statewide operations with a limited number of personnel and outsources 88% of key functions. This will become a greater challenge in the future since the Lottery's authorized FTE positions have been reduced by 7 positions. The agency lacks the capability to undertake a significant new initiative without the personnel and technological resources requested in its recent budget request for FY14 and FY15.

### ***Issue 3 Future Technology Challenges***

The Lottery has demonstrated significant sales gains over the past few years. The Lottery currently sells over 50 Scratcher games a year, 2 Multi-state drawing games and 5 drawing in-state games. The growth in sales also translates into a computer transaction for an aging system for every purchase. While the Lottery has experienced many additions and changes in

games, and has experienced exciting sales growth, the Internal Control System (ICS), that monitors, balances, secures data, and verifies sales with vendors and the Multi-State Lottery Commission has remained unchanged since 1983 and has supported all sales and business transactions of the Arizona Lottery for the past 30 years.

For the lottery to maintain its current activity, let alone continue to grow revenues and develop a platform for the future technologies, it requires a conversion to a newer system. The Lottery is reaching a tipping point by depending on an end of life system along with the inability to find programmers that are competent with the antiquated language of COBOL. The solution is for the Lottery to move forward with a replacement solution is necessary for assurance of integrity of the system and sustainability of revenues.

## **Environmental Analysis**

### **Customer Base**

Based on the FY12 WestGroup player tracking study, the customer base continues to evolve. 73% of Lottery players feel that the lottery is a good way to raise money for the state. The population playing Lottery games represent 55% of the overall adult population. 72% of those players attended college, are an average of 53 years old and have a median income of \$53,590.

### **Environmental Factors**

The Lottery is in direct competition for the entertainment dollar. Included in the Lottery's sales forecast is overall population growth, consumer spending and unemployment.

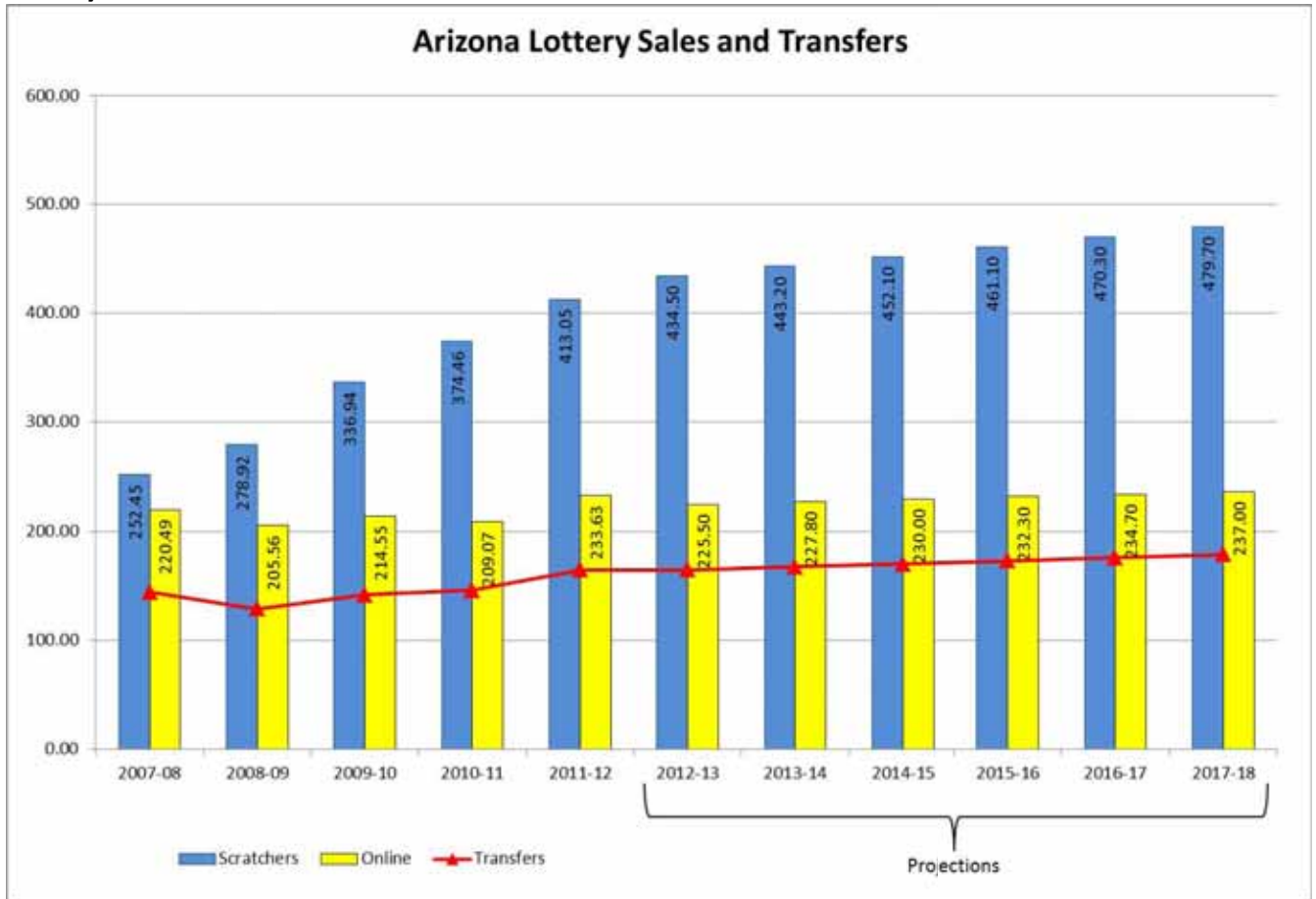
Though Arizona has been slow to recover from the economic recession there are some indicators that support a positive growth in retail sales.

- Estimates from the U.S. Census Bureau show that Arizona's population grew by 1.08 percent from July 2010 to July 2011, a net increase of approximately 70,000 people. That's fairly consistent with 1.1 percent and 1 percent growth in the previous two years. These rates are significantly slower than that experienced in the boom years of the early and mid-2000s. Numbers from the Arizona Office of Employment and Population Statistics suggest that population growth is even slower than the Census Bureau estimates. Arizona's population growth peaked at 3.3 percent from July 2004 to July 2005, adding 187,000 people.
- Economic forecasters suggest population growth will slowly rise, with growth rates closer to 1.5 to 3 percent by the year 2015.
- Arizona's consumer spending is forecasted to remain flat from FY2013 through FY2017 with an average growth rate in the last six months of FY12 at 1.5%.

- Arizona’s unemployment rate has remained flat for the last six months of FY12 closing out the year at 8.3%. As of mid-2012 this rate was holding steady.

**Forecast Based on Economic and Environmental Factors**

**Lottery Sales and Profits**



**Regulatory Factors**

Environment and stakeholders’ interest

- Statutes govern our operations, including beneficiary distribution.
- Rules enforce statutes. Rules cannot be changed without external review/approval
- Budget is subject to legislative oversight.
- Commission must approve almost everything related to products, including promotions

*Drawing Game Constraints*

The Arizona Lottery is prohibited from having “any on-line or electronic Keno game” or “any game played on the internet.” In past years, the question has arisen whether “monitor games” are a prohibited game. The more similar that such a game is to Keno in its play style, the more

likely it will be prohibited. When establishing a new on-line game, the Legislature has stated that the Lottery may do so if it is a “new on-line game which is the same type and has the same type of game play-style as an on-line game currently being conducted by the lottery.”

### *Gaming Compacts*

A second constraint are the Tribal Gaming Compacts that govern both the Tribes’ and the State’s ability to conduct gaming. The State’s Compacts, as agreed to by the parties, contain a "poison pill." If triggered the effect would be to remove the finite number of gaming devices in each casino and reduce the Tribes’ payment to the State to seventy-five per cent of the present amount. The "poison pill" in Compacts §3(h)(1) is triggered upon the occurrence of three prerequisites, which are:

1. On or after May 1, 2002, if State law changes, or is interpreted in a final State judgment or final administrative order to permit a person or entity other than an Indian tribe;
2. To operate a form of Class III Gaming that is not authorized under this Compact;
3. Other than gambling that is lawful on May 1, 2002, pursuant to A.R.S. § 13-3302.

If any new game proposal was suspected of triggering the “poison pill,” extensive consultation might be required to obtain a consensus on the Lottery’s ability to introduce such a game without triggering the resultant actions.

### *Internet Law*

Based on a request by the states of New York and Illinois, the United States Department of Justice issued an opinion regarding the Wire Act and determined that Interstate transmissions of wire communications that do not involve wagering on sporting events or contests are not prohibited by the Wire Act. Therefore, if state law permits, a state could conduct gaming over the internet so long as the gaming is limited to intrastate gaming and is not wagering on sporting events or contests.

Arizona’s State Tribal Compacts provide that if state law is changed to allow gaming beyond that gambling that was lawful on May 1, 2002, the Poison Pill provision would be invoked to remove restrictions on the number of tables and slot machines and reduce the payments to the state by 75% of the present amounts. There has been no change in state law or federal law by the interpretation of the Wire Act. It could be argued that any statute or regulation that is required to enact intranet gambling would be a change of state law that invokes the Poison Pill.

## **Internal Constraints**

American's with Disability Act (ADA):

- Provide equal employment opportunities, with reasonable accommodations when appropriate, to applicants and qualified employees with disabilities. Ensures qualified individuals with disabilities are not discriminated against in application procedures, hiring, firing, advancement, compensation, job training and other terms, conditions and privileges of employment by all employees at all levels.
- Promptly investigate all complaints or reports of discrimination on the basis of disability.
- Provide program accessibility including 2,800 retail locations located throughout the state by reviewing ADA Retailer Surveys to determine if the retail location is accessible, or continues to have barriers to accessibility.

## **Technology**

The current methodology is to support agency goals and allocate Information Technology resources to those activities that will have the greatest impact on the business direction of the organization.

Government Information Technology Agency (GITA) is an over-site agency that provides standards and policies for all Arizona State IT Divisions. All projects that have a cost of \$25,000 or more must be justified and submitted to GITA for approval.

## **Industry Environment**

### **Entry Barriers**

Some industry products may not be appropriate for the Arizona Lottery due to the following barriers:

- Technological Barriers
  - Internet/Cell Phone Sales of Lottery Products
  - Internal technologies and limitations
- Governmental Regulation/Restriction
- Contractual Limitations/Lifespan Vendor partners
- Moral/Religions Objections to gambling
- Human Capital resources
- Budgetary limitations

Though a small proportion of the Arizona population is morally opposed to the Lottery, it is imperative that the everyone know the Lottery is operated with integrity and transparency and that the revenue benefits every citizen of the state.

### **State Supplier/ Buyer Power**

Unlike many states, we contract with three printers for instant ticket and one vendor for drawing game sales and distribution. By utilizing all of the industry experts, more resources are dedicated to working on our products and research. This business model provides the Lottery flexibility to adapt and respond to the market. This strategy also creates competition between our printers resulting in reduced rates, favorable billing/delivery options and even an annual rebate when print billings exceed a certain dollar amount. This strategy has been successful and will continue through their contract period. See below:

- GTECH contract (Gaming System AL05-04) effective through August 2015, One year extension available to 2016.
- GTECH (Product Mgmt/Distribution Services AL09-04) through January 2015; five 1-year extensions.
- Ticket Print contracts Scientific Games, Pollard Banknote and GTECH Print (Instant Ticket Print Services AL09-07-01, AL09-07-02 and AL09-07-03) through January 2010; five 1-year extensions available.

### **Expansion of Market Considerations:**

The Lottery is a mature business and product. Future opportunities are dependent on working with the leaders in the industry, adopting best practices and embracing both game and player research. Developing products that will continue to appeal to changing demographics is key to continued growth. The markets that are under consideration are listed below:

1. Products that appeal to wider audience
  - a. Drawing Game Expansion or the ability to move games in and out of the market more frequently.
  - b. Licensed Properties Offerings that appeal to the Arizona market.
  - c. Customer Loyalty Program allowing the lottery to interact with players on a customized social media platform.
2. Bar Coded Coupons – player incentives to cross/trial purchase
3. Continue to add consumable products.
4. Develop Cross Promotions with other consumable product and the retail partners to leverage other brand loyal customers.
5. Implement Supermarket in-lane sales
6. Entering new retail channels
  - a. Food and Beverage (Restaurants and Bars)
  - b. Airports

The Lottery will continue to focus on overcoming the challenges to implement sales in non-traditional locations and implementing industry best practices to maximize revenues.

### **Internal Support**

#### **Structure**

The organizational structure is based on functionality made up of Game Design and Development, Budget, Sales and Marketing, Information and Technology, Customer Services and Investigations, Audit, Accounting and Procurement, Human Resources and Legal.

#### **Risk Management/Loss Control**

- Ensure the Lottery's Loss Control Program incorporates the requirements of local, state and federal standards to reduce the probability, severity and frequency of accidental and liability losses.
- Maintain a safe and healthful work environment by continuing to meet regularly with the Arizona Department of Administration, Risk Management Unit to further identify and reduce agency liability losses and operational risk by identifying potential hazards that may cause injury or property damage.
- Submit in a timely and accurate manner all Risk Management and Federal OSHA reports.

#### **SUMMARY OF AGENCY GOALS AND OBJECTIVES**

The Lottery has outsourced 88% of the business function creating one of the most successful lotteries in the country. The future opportunities to increase revenue and return to the State are dependent on several factors.

- Market research and product innovation
- Maximizing the use of technology whenever possible to address further improve productivity.
- Right size FTE staffing levels to successfully maintain operations and serve the retail community.



<b>Resource Assumptions (agency level)</b>						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions	97.8	106.8	106.8	106.8	106.8	106.8
General Fund	NA	NA	NA	NA	NA	NA
Other Appropriated Funds	\$ 87,592,600	\$ 89,297,700	\$ 88,067,300	\$ 97,218,800	\$ 98,423,200	\$ 99,787,500
Non-Appropriated Funds *	\$ 376,300,000	\$ 376,300,000	\$ 376,300,000	\$ 429,908,000	\$ 437,100,000	\$ 444,354,000
Federal Funds	NA	NA	NA	NA	NA	NA
Total Agency Funds	\$ 463,892,600	\$ 465,597,700	\$ 464,367,300	\$ 527,126,800	\$ 535,523,200	\$ 544,141,500

\* Resource estimates for the Lottery Prize Fund are shown primarily for informational purposes. Monies in this fund are held in trust for payment of prizes and there are no operating expenses from this fund.

Assumptions "Other Appropriated Funds:"

For FY16-18, estimates include funding adjustments for sales-related line items (Instant Tickets, On-Line Vendor Fees, Retailer Commissions) based on 2% instant ticket sales growth and 1% on-line growth each year. The current contract for On-Line Vendor Fees expires in August 2015; estimates for FY16-18 assume a conservative rate increase to 4% from the current rate of 3.7%.

Resource assumptions for FY16 and FY18 also include an additional \$150,000 in operating funds for future funding issues, not yet identified.

Assumptions "Non-Appropriated Funds:"

At least 50% of Lottery revenues must be deposited to the Prize Fund. FY16-18 calculated based on 62% of revenue projections.

## Agency Summary

### LOTTERY

Jeff Hatch-Miller, Executive Director  
 Phone: (480) 921-4505  
 A.R.S. § 5-551 et seq.

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	84,313.2	87,592.6	89,297.7	88,067.3
Other Non Appropriated Funds	950,694.2	906,148.4	906,148.4	906,148.4
<b>Total Funding</b>	<b>1,035,007.4</b>	<b>993,741.0</b>	<b>995,446.1</b>	<b>994,215.7</b>
<b>FTE Positions</b>	<b>104.0</b>	<b>97.8</b>	<b>106.8</b>	<b>106.8</b>

◆ **Goal 1** To increase revenue to the State.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Dollar amount of instant ticket sales (in millions)	374.5	374.2	413.0	434.5	434.5	434.5
Dollar amount of on-line sales (in millions)	209.1	219.8	233.6	225.5	225.5	225.5
Dollar amount of all game sales (in millions)	583.5	594.0	646.7	660.0	660.0	660.0
Increase/(decrease) in instant ticket sales from prior year (in millions)	37.6	(.3)	38.5	21.5	0	0
Increase/(decrease) in on-line sales from prior year (in millions)	(5.5)	10.7	24.5	(8.1)	0	0

**Explanation:** On-line sales are largely jackpot driven, impacting sales increases/decreases in any given year.

Average dollar amount of sales per ticket vending machine.	165,200	168,000	191,200	192,500	195,000	200,000
Out of stock percentage for ticket vending machines.	5.8	5.6	5.4	5.2	5.0	4.8
Total Lottery dollars distributed to State programs (in millions)	146.3	150.0	164.7	167.6	167.6	167.6
Percent of lottery ticket sales distributed to state beneficiaries	25.1	25.2	25.5	25.4	25.4	25.4

◆ **Goal 2** To increase agency efficiency.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of hours on-line game system available for processing transactions (6,022.5 total hours)	6,016	6,016	6,016	6,016	6,016	6,016
Number of hours instant ticket validation system available for processing transactions (6,022.5 total hours)	6,016	6,016	6,016	6,016	6,016	6,016
Percent of Lottery program expenditures outsourced	88.6	87.4	90.8	89.2	89.2	89.2
Administration as a percentage of total cost	5.9	5.7	6.0	5.4	5.4	5.4
Average number of days required to pay vendors	6	6	5	7	7	7
Percent of vendor invoices paid within 30 days	98.0	99.0	99.0	95.0	95.0	95.0

◆ **Goal 3** To maintain an effective retailer compliance program.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of active retailer accounts in good standing	99.8	99.4	99.7	99.7	99.8	99.8
Percent of routine retailer inspections in compliance with underage wagering requirements	98	99	99.9	99.0	99.0	99.0
Percent of routine retailer inspections resulting in discovery of a rule violation or criminal activity	3.5	4.0	1.0	1.0	1.0	1.0
Number of "at risk" retailers requiring immediate investigation (2800 total retailers)	131	125	340	330	320	320

◆ **Goal 4** To expand public awareness regarding the Lottery's image, beneficiaries, winners, and products.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of general public indicating the Lottery is run honestly and with integrity	74	74	74	75	75	75
Percent of general public indicating the Lottery is a good way to raise money for the state of Arizona	68	68	68	69	70	70
Average number of calls received per month on automated winning numbers line	339,300	333,300	340,000	340,000	340,000	340,000
Average number of total visitors per month to the Lottery website	938,000	960,000	1,005,300	1,200,000	1,500,000	1,650,000
Average "open" rate for Lottery product email blasts	20.7	21.0	25.4	25.9	26.2	26.5
Average page views per visit to the Lottery website	0	0	4.5	4.6	4.6	4.7

◆ **Goal 5** To enhance retailer relationships.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of retailers achieving additional .5% commission incentive	30	31	31.4	31.5	31.5	31.5
Total instant tab game commissions earned by charitable organizations	.2	.5	654,000	700,000	700,000	700,000
Percent of retailers expressing overall satisfaction with Lottery services	96	95	97	97	97	97

◆ **Goal 6** To attract and retain high quality employees.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of agency staff turnover	8	8	14	10	9	8

# Arizona Medical Board

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**ARIZONA MEDICAL BOARD AND  
ARIZONA REGULATORY BOARD OF PHYSICIAN  
ASSISTANTS**

**FIVE YEAR STRATEGIC PLAN**

**FY 2013 – FY 2018**

**Lisa S. Wynn**

**Executive Director**

**MULTI-YEAR AGENCY STRATEGIC PLAN (FY 2013-2018)**

ARIZONA MEDICAL BOARD

And

ARIZONA REGULATORY BOARD OF PHYSICIAN ASSISTANTS

Contact: Lisa S. Wynn, Executive Director

Phone (480) 551-2791

A.R.S. §32-1401 *et.seq.* and A.R.S. §32-2501 *et.seq.*

**Mission Statement:**

The mission of the agency is to protect public safety through the judicious licensing, regulation, and education of physicians and physician assistants.

**Agency Description:**

The Agency staff supports two Boards – the Arizona Medical Board, which licenses and regulates allopathic physicians, and the Arizona Regulatory Board of Physician Assistants, which licenses and regulates physician assistants. The Agency processes applications for licenses, handles public complaints against licensees, and disseminates information pertaining to licensees and the regulatory process. The two Boards determine and administer disciplinary action in the event of proven violations of their respective practice acts. Together, the Boards regulate over 24,000 licensees.

**Strategic Issues:**

**Issue #1: Consolidation of essential agency functions focused on public protection through the examination of regulatory issues, ongoing education of staff and Board members, active dissemination of public information, and public outreach.**

The Arizona Medical Board and the Arizona Regulatory Board of Physician Assistants continually strive to proactively explore areas influencing healthcare delivery and public safety. The boards will focus on essential agency functions and concentrate on those matters that directly affect the health and well-being of Arizona's citizens. The boards will continue their advances toward providing clear direction through policy and statutory initiatives, participating in ongoing educational opportunities in regulation, and staying on the forefront of providing public information that affects healthcare decision making.

**Strategy:** To increase activities devoted to addressing public safety, healthcare and regulatory issues of importance to licensees, stakeholders, and the general public through collaboration with others, policy making, and information dissemination by:

Increasing time spent addressing public safety, healthcare or regulatory issues through subcommittee discussion and adoption of relevant substantive policy statements and rules.

Increasing the availability of educational and regulatory information to licensees, stakeholders, and the general public

**Issue #2: Stabilization of database infrastructure to support e-licensing, regulation, and information dissemination, as well as increased capacity for performance measurement, through improved information technology and other process improvements**

The Board has had a successful electronic licensing renewal (e-licensing) for over four years. The agency continues to stabilize the system to ensure on-line security as applicants and licensees share confidential information with the boards during the licensing and renewal process and as financial transactions take place. Other electronic and on-line processes were made available to physicians, such as, the change of address on-line process through our physician web site.

The agency collaborated with the Arizona State University in their effort to modify the previous physician survey. The link at the Arizona Medical Board’s web site was updated to include the newly designed survey via the renewal process which provides the State of Arizona University with statistical data they collect relative to information pertinent to the university. For the public, an on-line complaint process was also successfully launched.

Other initiatives include the medical doctor verification through the VeriDoc web site. The infrastructure will continue to evolve as other electronic functions are made available to licensees and the public as well. The database also tracks staff progress during the licensing, investigation and post adjudication processes allowing for statistical data analysis and identification of process improvement.

**Strategy:** To improve efficiency of licensing, regulatory, and information dissemination processes by:

- Improving upon prior year performance levels in license processing,
- Improving upon prior year performance levels in complaint investigation, and
- Improving upon prior year performance levels in responding to public information requests.

**Resource Assumptions:**

	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request or Estimate</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
<b>Full-time-equivalent (FTE) Positions</b>	<b>58.8</b>	<b>58.5</b>	<b>58.5</b>	<b>58.5</b>	<b>58.5</b>	<b>58.5</b>
<b>Appropriated Fund</b>	\$5,809,400	\$5,809,400	\$5,809,400	\$5,809,400	\$5,809,400	\$5,809,400
<b>Total Agency Funds</b>	<b>\$5,809,400</b>	<b>\$5,809,400</b>	<b>\$5,809,400</b>	<b>\$5,809,400</b>	<b>\$5,809,400</b>	<b>\$5,809,400</b>

Our agency’s assumption is the appropriation requirement will be at least stable to enable the agency to manage in a fiscally responsible manner, considering the nature of the responsibility of the agency to ensure we protect the public. And as a regulatory agency, we are susceptible to litigation and having an appropriation and funds to cover those costs is extremely important from a strategic, health and safety perspective.

## Agency Summary

### ARIZONA MEDICAL BOARD

Lisa S. Wynn, B.S., Executive Director

Phone: (480) 551-2791

A.R.S. §32-1401 et.seq. and A.R.S. §32-2501 et.seq.

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	5,194.0	5,809.4	5,809.4	5,809.4
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>5,194.0</b>	<b>5,809.4</b>	<b>5,809.4</b>	<b>5,809.4</b>
<b>FTE Positions</b>	<b>58.5</b>	<b>58.5</b>	<b>58.5</b>	<b>58.5</b>

- ◆ **Goal 1** To increase activities devoted to addressing public safety, healthcare and regulatory issues of importance to licensees, stakeholders, and the general public through collaboration with others, policy making, and information dissemination.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of substantive policy statements, guidelines, rules, or rule revisions adopted	0	2	0	2	2	2
Number of staff members who attended one or more Board-funded trainings, seminars, or conferences	27	20	31	20	20	20
Number of newsletters published, press releases, health advisories, public awareness activities, and other notifications published on the Board website or transmitted to licensees via e-mail blasts	23	25	27	25	25	25

**Explanation:** Three measurements were combined into one in FY 2011 which allows the agency more flexibility in accomplishing the goal to utilize the best method of disseminating information to licensees, stakeholders, and the general public.

- ◆ **Goal 2** To improve efficiency of licensing, regulatory, and information dissemination processes

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average time to approve an MD license from receipt of application	34	30	15	30	30	26
Average time to approve a PA license from receipt of application	11	17	8	17	17	15
Average number of days to process an initial medical doctor license upon receipt of completed application	2	2	1	2	2	2
Average number of days to process a medical doctor renewal upon receipt of completed application	2	2	1	1	1	1
Average score of agency-wide customer service satisfaction surveys (scale of 1-8)	7.8	7.5	7.8	7.5	7.5	7.5
Average number of days to complete an medical doctor investigation	114	140	116	140	140	130
Average number of days to complete an physician assistant investigation	123	130	112	130	130	125



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average number of days to resolve a medical doctor case	135	180	138	180	180	180
Average number of days to resolve a physician assistant case	153	180	144	180	180	180
Medical doctor cases referred to formal hearing	23	20	15	20	20	20

**Explanation:** Efficient regulation requires that the Office of Administrative Hearings be utilized only when statutorily mandated or when all other options have been exhausted. The Board can maintain its level of disciplinary actions through consent agreements without referring cases to formal hearing.

# State Mine Inspector

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# OFFICE OF THE STATE MINE INSPECTOR

## 5 YEAR STRATEGIC PLAN FISCAL '14 THROUGH 18'

**VISION:** *BE IN THE BEST TEN STATES FOR MINE ACCIDENT INCIDENT RATES, WITH AN EXCELLENT REPUTATION FOR AGGRESSIVELY CLOSING ABANDONED MINES POSING A PUBLIC THREAT AND FOR PROPERLY RESTORING MINE LANDS FOR PUBLIC USE.*

**MISSION:** *ENSURE THE HEALTH AND SAFETY OF PEOPLE WORKING AT MINES, COORDINATE THE CLOSURE OF ABANDONED MINES POSING A THREAT TO PUBLIC HEALTH AND SAFETY, AND ENSURE THAT LANDS ARE PROPERLY RECLAIMED ONCE MINING IS COMPLETED.*

### **GOALS:**

- 1) Eliminate fatal accidents and reduce the number and severity of lost time due to accidents.
- 2) Educate and train inexperienced and experienced mine employees in safe work practices and to be compliant with state and federal mine safety regulations.
- 3) Promote public health and safety by identifying and assessing abandoned mines, and securing those abandoned mines found to be a threat to the public and the environment.
- 4) Promote the restoration of lands disturbed by mining to a safe and stable environmental condition.

### **OBJECTIVES:**

#### GOAL 1. OBJECTIVES:

- A) Have no fatal accidents in operating mines from June 30, 2014 through June 30, 2018.
- B) Achieve a quarterly accident incidence rate that is less than 3.00 per MSHA calculations.
- C) Conduct at least 164 inspections per inspector, per year from July 1, 2014 through June 30, 2018.
- D) Investigate and report findings on at least 90% of complaints within 30 days of receipt.

#### GOAL 2. OBJECTIVES:

- A) Conduct at least 90% of scheduled classes each quarter.
- B) Achieve at least 4.00 on participant ratings of instructors in 90% of courses conducted quarterly.
- C) Achieve at least 4.00 rating on course content from participants in 90% of courses conducted quarterly.

- D) Have no fatal accidents in operating mines from July 1 2014 through June 30, 2018.
- E) Achieve a quarterly accident incident rate of less than 3.00 per MSHA calculations.

GOAL 3, OBJECTIVES:

- A) Close at least 10 mines posing a threat to public health and safety each year by June 30.
- B) Identify and assess at least 100 abandoned mines each year by June 30.
- C) Prepare closure plans for a t least 10 additional hazardous abandoned mines each year by June 30.
- D) Investigate and report on all complaints about abandoned mines within 30 days of receipt.

GOAL 4, OBJECTIVES:

- A) Have administrative and compliance reviews completed on new reclamation plan submittals within licensing timeframe requirements at least 95% of the time.
- B) Ensure all mines sites with approved reclamation plans adhere to annual reporting requirements.
- C) Ensure all reclamation plans adhere to financial assurance requirements prior to approval.

Resource Assumptions (agency level)						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
Full-Time Equivalent (FTE) Positions	14	18	18	18	18	18
General Fund	1,185,800	1,677,400	1,677,400	1,677,400	1,677,400	1,677,400
Other Appropriated Funds	112,500	112,500	112,500	112,500	112,500	112,500
Non- Appropriated Funds	267,180	242,180	217,180	192,180	167,180	142,180
Federal Funds	447,559	215,000	215,000	215,000	215,000	215,000
Total Agency Funds	2,013,039	2,247,080	2,222,080	2,197,080	2,172,090	2,147,080

### Agency Summary

STATE MINE INSPECTOR

Joseph E. Hart, State Mine Inspector  
 Phone: (602) 542-5971  
 A.R.S. §§ 27-121 et seq.

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ MINING SAFETY ENFORCEMENT	1,013.7	995.3	1,094.8	1,094.8
➤ ABANDONED MINES	321.3	269.8	586.4	586.4
➤ EDUCATION AND TRAINING - FEDERAL GRANT	262.7	335.9	335.9	335.9
➤ MINED LAND RECLAMATION	13.6	112.5	190.2	190.2
<b>Agency Total:</b>	<b>1,611.3</b>	<b>1,713.5</b>	<b>2,207.3</b>	<b>2,207.3</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	1,195.8	1,183.6	1,677.4	1,677.4
Other Appropriated Funds	13.6	112.5	112.5	112.5
Other Non Appropriated Funds	401.9	417.4	417.4	417.4
<b>Total Funding</b>	<b>1,611.3</b>	<b>1,713.5</b>	<b>2,207.3</b>	<b>2,207.3</b>
<b>FTE Positions</b>	<b>18.0</b>	<b>18.0</b>	<b>22.0</b>	<b>22.0</b>

**Program Summary**

**MINING SAFETY ENFORCEMENT**

Tim Evans, Assistant State Mine Inspector  
 Phone: (602) 542-5971  
 A.R.S. § 27-124

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,013.7	995.3	1,094.8	1,094.8
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,013.7</b>	<b>995.3</b>	<b>1,094.8</b>	<b>1,094.8</b>
<b>FTE Positions</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>

- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent mandated inspections completed	71	71	75	75	75	75
Number of reportable (lost time) mine accidents	185	185	138	138	138	138

**Explanation:** The number of reportable (lost time) mine accident reflects " only" what is reported to the Arizona State Mine Inspector.

Employee and Public Complaints Investigated	19	19	9	9	9	9
Number of safety inspections completed	642	642	662	662	662	662
Customer satisfaction rating for Mines (scale 1-8)	7.4	7	6.5	7	7	7

**Explanation:** Survey results will be recorded on or before October 1, 2011

**Program Summary**

ABANDONED MINES

Laurie Swartzbaugh, Deputy Director  
 Phone: (602) 542-5971  
 A.R.S. § 27-318

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	182.1	188.3	504.9	504.9
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	139.2	81.5	81.5	81.5
<b>Total Funding</b>	<b>321.3</b>	<b>269.8</b>	<b>586.4</b>	<b>586.4</b>
<b>FTE Positions</b>	<b>2.0</b>	<b>2.0</b>	<b>5.0</b>	<b>5.0</b>

- ◆ **Goal 1** To promote public health and safety by identifying and assessing abandoned mines, and securing those found to be a threat to the public and the environment.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of abandoned mine openings secured	54	70	108	70	70	70
<b>Explanation:</b> Secured on State Lands						
Number of abandoned mine complaints handled.	19	12	7	12	12	12
Number of prior abandoned mine closures reviewed	102	40	22	10	10	10
<b>Explanation:</b> On State Trust Land						

**Program Summary**

EDUCATION AND TRAINING - FEDERAL GRANT

Frank Rabago, Education & Training Program Manager

Phone: (602) 542-5971

A.R.S. § 27-124, Title 30 CFR

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	262.7	335.9	335.9	335.9
<b>Total Funding</b>	<b>262.7</b>	<b>335.9</b>	<b>335.9</b>	<b>335.9</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

◆ **Goal 1** To eliminate fatal accidents and reduce the number and severity of lost time due to accidents.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Arizona miners and contractors trained	4900	4400	3197	4000	4000	4000
Average course content rating.	4.3	4.6	4.72	4.6	4.7	4.7

**Explanation:** A decrease in performance measures due to medical leave and one retirement during FY2011.

Average instructor rating	4.3	4.7	4.79	4.7	4.7	4.7
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**Explanation:** A decrease in performance measures due to medical leave and one retirement during FY2011.



**Program Summary**

**MINED LAND RECLAMATION**

Garrett Fleming, Reclamation Manager  
 Phone: (602) 542-5971  
 A.R.S. §27-921 & A.R.S. §27-1221

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	77.7	77.7
Other Appropriated Funds	13.6	112.5	112.5	112.5
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>13.6</b>	<b>112.5</b>	<b>190.2</b>	<b>190.2</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>1.0</b>	<b>1.0</b>

- ◆ **Goal 1** To promote the restoration of lands disturbed by mining to a safe and stable environmental condition. The Arizona Revised Statutes Title 27, Chapter 1, Article 2 identifies the need for a State Mine Inspector Agency. Chapter 5 & 6 were established for Mined Land Reclamation and Aggregate Mined Land Reclamation, and provides for a Division within the State Mine Inspector Agency, to administer the reclamation plans within the state.

Tracking of the percentage of mined acreage disturbed and reclaimed;

Tracking of mandated required financial assurance from an aggregate mining operation to ensure funds are available to reclaim the land;

Tracking of industry reclamation plan goals, which are tracked by release of financial assurance mechanisms;

Complete administrative and technical reviews of reclamation plans; and

Adequate management to enhance public benefit, responsible development and economic value.

Note: The Reclamation Plans Review program is still needing resources (or manpower) necessary to manage a Division for this Plan review process, and for field verification compliance inspections (Especially in Aggregate transfers of properties, and renewal of Financial Assurances). Hardrock plans and site expansions, as well as tracking, has not been considered in this report, but still remains a considerable duty of the Reclamation Division. A compliance tracking database is strongly needed to assist with due dates for annual update reporting dates.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of annual mined land reclamation compliance reviews	255	255	193	242	242	242

# Naturopathic Physicians Board of Medical Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

ARIZONA NATUROPATHIC PHYSICIANS  
BOARD OF MEDICAL EXAMINERS AND MASSAGE THERAPY  
BOARD  
STRATEGIC PLAN  
FISCAL YEARS 2013-2018

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## **Executive Summary**

The Naturopathic Physicians Board of Medical Examiners oversees both the Naturopathic Board and Massage Therapy Boards. However, the Boards operate separately with separate Board members. The Naturopathic Board regulates approximately 700 naturopathic physicians, while the Massage Therapy Board regulates over 10,000 massage therapists. Regulating the Boards protects the public from unqualified and incompetent practitioners.

In October 2011, the Naturopathic Board implemented an online renewal system for renewal of licenses. The response to the new renewal system was very positive with 70% of the naturopathic physicians using the online system to renew their licenses for the January 1 and July 1 renewal dates. The Board anticipates that more naturopathic physicians will be renewing their licenses using the online system and hopes for 100% participation in the near future. Because of the more efficient renewal process, the Board was able to reduce its operating costs, which resulted in the Board lowering its fees to applicants and licensees.

One of the key qualifiers for an applicant for a massage therapy license is attendance at a board approved school. Attendance at a board approved school is an important requirement to ensure that students learn how to properly perform massages without causing injury to clients. The Massage Therapy Board has worked diligently to ensure that all schools attended by applicants (whether in Arizona or outside Arizona) are credentialed according to Arizona standards set forth in the Board's statutes.

Through its investigations of schools, the Massage Therapy Board has identified schools that may have ties to prostitution and are not bona fide schools. Many of the applicants who claim to have attended these schools do not speak English and are believed to be part of sex trafficking. The Massage Therapy Board does not permit the licensing of these applicants and as a result is seeing fewer applicants of this type.

Some persons who were licensed when the Massage Therapy Board was first initiated also have ties to prostitution related crimes. The Massage Therapy Board has been working closely with law enforcement to make certain these individuals are not allowed to continue conducting such nefarious and illegal activities under the guise of massage therapy licenses.

The Naturopathic Board of Medical Examiners and Massage Therapy Boards' Strategic Plan begins with statement of the Boards' Mission and Vision. This is followed by a description of the two boards, strategic issues and the method the Boards have chosen to resolve the issues, and resource assumptions.

## **Mission**

**To protect the health, safety, and welfare of the public by regulating the practice of naturopathic medicine and massage therapy**

## **Vision**

**To ensure that all citizens feel confident and safe in their choice of a Naturopathic Medical Physician or Massage Therapist**

## **Board Description**

The agency regulates both naturopathic physicians and massage therapists, each overseen by a governor-appointed board. Each Board is run separately with different Board members representing their area of practice.

The Naturopathic Physicians Board regulates the naturopathic field of medicine, which uses various methods to treat patients including nutritional supplements, herbal medicine, homeopathy, pharmaceuticals, and lifestyle counseling. The Board regulates physicians who engage in the practice of naturopathic medicine, including certification of those in specialty practice. Further, the Board certifies graduates and medical students to engage in internship, preceptorship, and postdoctoral training programs and certifies medical assistants and approves clinical training programs for medical students. The Naturopathic Board certifies naturopathic physicians to dispense natural substances, drugs, and devices from their offices and conducts investigations and hearings into allegations of medical incompetence and unprofessional conduct.

The Massage Board regulates and license massage therapists by recognizing a national examination, requiring a specified amount of education and training, establishing rules, and conducting investigations and hearings into allegations of incompetence or unprofessional conduct, including sexual activity with a client.

## **Strategic Issues**

### **Naturopathic Physicians Board of Medical Examiners Board**

#### Strategic Issue

Although the Board has instituted an efficient online renewal process for renewals, the process does not include renewals of certificates to dispense. The Board would like to create and implement an online renewal system for certificates to dispense, which would require the information on the application to be complete and correct upon the date of filing.

#### Goal

To efficiently process license and certificate applications.

#### Strategy

Create and implement an online application process for renewal of certificates to dispense.

#### Performance measures

1. Total number of applications received for licensure and certificates
2. Number of renewals of dispensing certificates issued
3. Number of days to process renewal applications

## Massage Therapy Board

### Strategic Issue

The Board would like to more efficiently process license applications, starting with instituting an online renewal system. The Board renews approximately 300 licenses each month. Currently, the process for renewal requires paper filings, which may extend the time it takes to renew the license because the application is not complete or the information on the application is erroneous. This requires Board staff to intervene and obtain or correct the information. The Board would like to streamline the process by creating and implementing an online renewal system, which would require the information to be complete and correct upon the date of filing. The Board would like to decrease the turn around time from no longer than 45 days to no longer than 30 days if filed online.

### Goal

To efficiently process license applications.

### Strategy

Create and implement an online application process, starting with renewals.

### Performance measures

1. Number of massage therapy licenses received for initial licensure and biennial renewal.
2. Average number of days to process an application.

## Resource Assumptions

### Funding and FTE Summary

Description	FY2013 Approved	FY2014 Estimate	FY2015 Estimate	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
Full Time Equivalent Positions	7.0	7.0	7.0	7.0	7.0	7.0
Other Appropriated Fund	605,358	619,810	618,310	618,310	618,310	618,310



## Agency Summary

### NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS

Kathleen Phillips, Deputy Director  
 Phone: (602) 542-8217  
 A.R.S. §§ 32-1501 and 32-4201

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS	604.1	587.5	587.6	584.6
<b>Agency Total:</b>	<b>604.1</b>	<b>587.5</b>	<b>587.6</b>	<b>584.6</b>
 <b>Funding:</b>	 <u><b>FY 2012 Actual</b></u>	 <u><b>FY 2013 Estimate</b></u>	 <u><b>FY 2014 Estimate</b></u>	 <u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	604.1	587.5	587.6	584.6
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>604.1</b>	<b>587.5</b>	<b>587.6</b>	<b>584.6</b>
 <b>FTE Positions</b>	 <b>7.0</b>	 <b>7.0</b>	 <b>7.0</b>	 <b>7.0</b>

**Program Summary**

**NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS**

Kathleen Phillips, Deputy Director  
 Phone: (602) 542-8217  
 A.R.S. § 32-1501

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	604.1	587.5	587.6	584.6
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>604.1</b>	<b>587.5</b>	<b>587.6</b>	<b>584.6</b>
<b>FTE Positions</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

◆ **Goal 1** To process license and certificate applications efficiently.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total Applications Received for Licensure and Certificates	1232	1250	1519	1250	1350	1450
Total Licenses and Certificates issued	1230	1250	1519	1250	1350	1450
Average number of days to process licensing applications	25	25	21	25	25	25
Active physician licenses	672	700	702	725	730	735
Dispensing Certificates and Renewals Issued	425	450	456	450	480	500
Students engaged in Clinical Training	186	180	304	320	350	380

◆ **Goal 2** To investigate and adjudicate complaints in a timely manner.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Complaints received against licensed or certified persons	28	28	26	28	28	28
Complaints resolved in same fiscal year	16	16	17	16	17	17
Average number of days to resolve complaints - same fiscal year	110	120	77	120	120	120
Complaints received against unlicensed individuals	3	3	1	3	2	2

◆ **Goal 3** To audit naturopathic physicians compliance with the annual continuing medical education requirements.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of physicians in compliance with continuing medical education requirement	97	95	95	95	98	98
Number of physicians audited for compliance with continuing medical education requirements	55	65	55	65	65	70

**Program Summary**

**BOARD OF MASSAGE THERAPY**

Kathleen Phillips, Deputy Director  
 Phone: (602) 542-8242  
 A.R.S. § 32-4201

◆ **Goal 1** To efficiently process license applications.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Massage therapy applications received for initial licensure and biennial renewal.	4807	4800	4888	4800	4900	5000
Average number of days to process an application	34	38	39	45	40	40

◆ **Goal 2** To investigate and adjudicate complaints in a timely manner.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Complaints received against massage therapists	13	15	8	15	15	15
Complaints resolved in the same fiscal year	4	5	6	5	6	6
Average number of days to resolve a massage therapy complaint	155	180	106	180	180	180

# Navigable Stream Adjudication Commission

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**Arizona Navigable Stream Adjudication Commission-ANSAC**  
**FIVE YEAR PLAN FY 2014-2018**  
**(Commission Scheduled to Sunset June 30, 2016)**

**Missions:**

1. To determine the navigability of Arizona's 39,039 watercourses in terms of navigability as of statehood, February 14, 1912 for the purpose of establishing land title/ownership, and having nothing to do with water use, diversion, ownership, etc. Includes all Arizona Watercourses except the Colorado River.
2. To determine the Public Trust Value of any Arizona watercourse that through the adjudication and court related processes is determined to have been navigable at time of statehood, February 14, 1912.

**Description:**

The Commission is a single program agency in terms of budget and funding.

The Commission is in the process of determining the navigability of all 39,039 watercourses by holding particularized assessments in the form of evidentiary hearings held in each Arizona County through which a watercourse travels. Due to statutory challenges through court actions and consequential statutory changes the Commission has had to hold its entire compliment of some fifty-three hearings three separate times since 1998.

The Commission has completed its watercourse navigability evidentiary hearings. Following appeal times of nine months ANSAC records its reports in the appropriate Arizona Counties. However, there have been six appeals filed regarding ANSAC determinations; two in Pima County Superior Court, the San Pedro River and the Santa Cruz River, and four in Maricopa County Superior Court, the Gila River, the Lower Salt River, the Upper Salt River, and the Verde River.

These six watercourse cases have been through the appropriate Superior Courts and as a result of a remand of the Lower Salt River case to the Commission by the Arizona Court of Appeals, and a stipulation by the parties regarding the other five cases in court, all six cases have been returned to the Commission for additional proceedings and actions.

## Strategic Issues:

1. Various different parties have appealed six of ANSAC's determinations, two in Pima County Superior Court and four in Maricopa County Superior Court. These six cases have been returned to the Commission beginning October 21, 2011 with the remand of the Lower Salt River case by the Arizona Court of Appeals and are presently the hands of the Commission to hold further proceedings and to make navigability determinations and generate Commission final reports regarding each of these six cases.

The Commission is diligently working toward this end by holding meetings and has as a necessity requested that interested parties submit several legal memorandums filed on January 13, 2012 and the most recent on September 7, 2012.

**The Commissioners, attorney, and staff are presently reviewing more than seventy legal memorandums already submitted by parties for the Commission's consideration.**

What will occur in terms of resolutions of these six cases has not yet been determined and may ultimately result in lawsuits. Assuming the Commission must hold additional evidentiary hearings in the same numbers and locations as the past hearings were held in these six cases then **the Commission will need to hold some eighteen hearings in ten Arizona Counties**. Such hearings involve a considerable amount of time and expense. Additional costs for each hearing will be in the following areas: Attorney costs, legal advertising costs, travel to and from hearings costs, possible expert witness costs, and court reporter costs, very little of which the Commission is currently funded for. Some of this may occur during the present fiscal year and hopefully the balance during the FY2014. Assuming hearings are held during FY2013, once a Commission report with the results is written nine months of appeal time will follow so it is not likely any of these cases will be filed in court during the current fiscal year as a result of hearings, reports, and appeal times. However, other actions may be filed in court at any time regarding any or all of these six cases.

2. Completion of Commission reports following appeal time and recording in the appropriate counties. There are presently three reports in this category, the small and minor watercourses in Yavapai County, Apache County, and Navajo County.
3. At some point following the Commission's completion of the six remand cases returned to the Commission by the courts and currently being adjudicated by the Commission these cases also will result in reports that are held for nine months

of appeal time and assuming no appeals will be recorded in the appropriate counties.

**Sunset:**

Once the Commission has completed its hearings including any additional court action and has recorded all final reports in the appropriate counties the Commission plans to Sunset and this will hopefully be June 30, 2016.

## Agency Summary

### NAVIGABLE STREAM ADJUDICATION COMMISSION

George Mehnert, Director  
 Phone: (602) 542-9214  
 A.R.S. § 37-1101 to 37-1156

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	120.9	126.2	126.2	126.2
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	62.4	62.4	62.4	62.4
<b>Total Funding</b>	<b>183.3</b>	<b>188.6</b>	<b>188.6</b>	<b>188.6</b>
<b>FTE Positions</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

- ◆ **Goal 1** To determine navigability of Arizona's 39,039 rivers and streams as of statehood for title purposes. This has been completed but for three water courses for which appeal times are still running and six cases that were appealed and that have been returned by the Arizona Court of Appeals determination of October 21, 2011. These cases are being handled presently partly by the Commission requesting five separate legal memorandums totalling some 70 actual memorandums submitted by parties.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Arizona rivers and streams adjudicated, including the necessity to alter and ratify remaining reports that comport with information requested by courts.	3	3	3	3	3	3
<b>Explanation:</b> Number of Arizona rivers and streams adjudicated, includes necessity to alter and ratify remaining reports to comport with information requested by the Courts.						
Number of hearings under 2001/current statutes	0	1	0	6	6	6
Cost per hearing to study watercourses (in thousands of dollars)	0	20	0	20,000	20,000	20,000
Customer satisfaction rating for hearing attendees (scale 1-8)	0	8	8	8	8	8
Number of final reports approved by Commission	3	3	3	6	6	6
Administration as a percent of total cost	4.0	4.0	4.0	4.0	4.0	4.0
Monitor and act on court cases and related reports that may require change pursuant to court instructions. As of June 30, 2010 there were six matters in State Court, two in Pima County Superior Court, three in Maricopa County Superior Court, and one between the Arizona Court of Appeals and the Arizona Supreme Court - a Petition for Review by the Supreme Court is currently pending. Perform additional hearings as mandated by the court and to record final reports in the appropriate counties.	6	6	9	9	6	6



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Continued legal work and report writing based on court cases and related reports that may require change pursuant to court instructions. As of October 21, 2011 six cases have been remanded to the Commission, one case was remanded by the Arizona Court of Appeals and the other five cases which were already on hold/stayed pending the outcome of the case that was in the Court of Appeals were remanded by stipulation of the parties. Therefore, all six cases on appeal are currently back in the hands of the Commission to deal with.	6	6	6	6	6	6

◆ **Goal 2** To determine the public trust values of navigable watercourses as mandated by the Courts.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Three appeals are currently pending. If any of the Commission determinations are reversed by the court then the Commission will need to hold proceedings to determine public trust values. The Commission presumes a maximum of 8 total appeals regarding all 53 hearings and 39,039 Arizona watercourses.	0	0	0	0	0	0

◆ **Goal 3** To complete and ratify all Commission final reports, including changes in reports to comport with Court instructions particularly in the six remand cases on appeal returned as a result of a determination by the Arizona Court of Appeals on October 21, 2011.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Complete and ratify Commission final reports in appealed cases that may require additional Commission reports.	3	3	3	6	6	6

◆ **Goal 4** To defend in State and Federal Court all Appeals of Commission determinations. At present there are 5 matters on appeal, two in Pima County Superior Court, and three in Maricopa Superior Court. One other has been in the Arizona Court of Appeals and will shortly be returned to the commission for action.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
To defend any actions filed against the Commission regarding the six remand cases returned to the Commission on October 21, 2011 for the Commission's consideration; Gila River, Lower Salt River, San Pedro River, Santa Cruz River, Upper Salt River, and Verde River.	6	5	6	6	6	6

◆ **Goal 5** To defend all other legal actions filed against the Commission. Presently there are none.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
As a result of the return/remand of six court cases following return of the Lower Salt River case by the Arizona Court of Appeals.	1	5	6	6	6	6

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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**Explanation:** There are no numbers included as there are no actions pending other than actual appeals and legal actions related to those.

- ◆ **Goal 6** To record each Commission report in the appropriate county seat either following expiration of appeal times or completion of Court mandated work and completion of appeals and court actions.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Recording Commission reports in the appropriate county seat as they are completed and appeal times have expired with no appeals filed, or as they are completed through court actions or other actions by the Commission.	3	0	3	6	6	6
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- ◆ **Goal 7** To insure all legal proceedings are held correctly and thoroughly to comply the the remand of Six appealed cases in court, the Gila River, Lower Salt River, San Pedro River, Santa Cruz River, Upper Salt River, and Verde River. Thus far the Commission has request legal memorandums that presently number more than 70 and are reviewing these to assess what it must do to complete these court cases. All six of these cases are presently in the Commission's hands for the Commission's Action.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Number of legal proceedings including public trust value hearings if necessary numbering as many as six each of the next four years including the current fiscal year.	0	0	6	6	6	6
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- ◆ **Goal 8** To write and ratify additional Commission reports regarding the six remand cases as they are completed.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Six or more additional commission reports may be written during any one of the next four fiscal years including the current fiscal year.	0	0	3	6	6	6
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- ◆ **Goal 9** To complete recording of 3 remaining reports for which appeal time is running. These should be completed during FY2012

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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To record 3 reports pending appeal times assuming no appeals are filed and if so to litigate those appeales.	0	0	3	6	6	6
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- ◆ **Goal 10** To respond to legal motions and to litigate any legal actions that are filed during any of the next four years.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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Additionally, it is impossible to know what legal motions and legal actions may be filed during any of these years. However, it is likely that all six remand cases will require a Commission Report which may leag to legal actions.	0	0	6	6	6	6
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- ◆ **Goal 11** To respond to court directions. Superior Courts as well as the Arizona Court of Appeals have given directions to the Commission regarding six specific cases and the Commission is presently planning ways to respond to those.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
----------------------	-------------------	---------------------	-------------------	---------------------	---------------------	---------------------

To take actions that will comport with court	0	0	6	6	6	6
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<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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instructions and determinations, beginning with the Arizona Court of Appeals instructions on October 21, 2011 and including future instructions and determinations from any of the Superior Courts appeals are filed in.

# Board of Nursing

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# **ARIZONA STATE BOARD OF NURSING**

**4747 NORTH 7<sup>TH</sup> STREET  
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Phone (602-771-7800) Fax (602-771-7888)  
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## **FIVE YEAR STRATEGIC PLAN FY 2013 - 2017**

**Joey Ridenour RN, MN, FAAN**

**Executive Director**



**Janice K. Brewer**  
**Ridenour**  
Governor

**Joey**

Executive Director

## **Arizona State Board of Nursing**

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September 28, 2012

Dear Governor Brewer,

On behalf of the Arizona State Board of Nursing, I am pleased to submit the Agency Strategic Plan for 2013-2017 for the next five years. Board Members and the executive staff of the Arizona State Board of Nursing, in conjunction with the Office of Strategic Planning and Joint Legislative Budget Committee, have identified the five strategic goals for 2013-2017. The strategic plan was developed based on the mission of the board as well as feedback/evidence received during the past two years when surveying four key stakeholders: 1. licensed nurses /certified nursing assistants; 2. employers of the nurses /certified nursing assistants; 3. nursing /nursing assistant educational programs and; 4. the public.

We look forward to responding to comments or questions you or staff may have regarding the strategic plan.

<u>Board Members</u>	<u>Term Expires</u>
Randy Quinn, CRNA	2014
Patricia Johnson LPN	2014
Theresa Berrigan LPN, C-AI	2013
Leslie Dalton, MSN RN	2015
Lori A Gutierrez BS, RN-C	2014
M. Shawn Harrell RN MS	2013
Carolyn Jo McCormies RN MSN, FNP-BC	2016
Kimberly Post RN, BS, MBA/HCM, NEW-BC	2017
Charleen Snider BSN, RN	2014
Kathryn L. Busby, JD Public Member	2013
Joel S. Feldman, JD, Public Member	2016

Signed:

Approved:

\_\_\_\_\_  
Joey Ridenour, RN, MN, FAAN  
Executive Director

\_\_\_\_\_  
Randy Quinn, CRNA  
President

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## **Executive Summary**

The Arizona State Board of Nursing (Board) is the state agency responsible for the licensure/certification and the regulation of the Registered Nurse (RN), Licensed Practical Nurse (LPN) and the Certified Nursing Assistant (CNA). In addition, the Board is also the oversight agency for the nurse and nurse assistant education and training programs throughout the state. The agency also manages a non-disciplinary, confidential monitoring program for chemically dependent nurses, Chemically Addicted Nurses Diversion Option (CANDO) program.

The Board has operated as the oversight agency for the nursing population for over 90 years. It was with the passage of the Nurse Practice Act (NPA), the statutes and rules that govern the nursing practice, in 1921, when the state of Arizona formally recognized professional nursing, that the Arizona State Board of Nursing was established. In 1951, the State of Arizona formally recognized licensed practical nurses and in 1991, the legislature determined, as a matter of public policy, based on the federal requirements of OBRA 1987, the certified nursing assistant should also be regulated. At present the Board regulates and monitors over 115,000 licensees and certificate holders, and oversees approximately 50 RN/LPN nursing education programs and 141 CNA programs.

The functions of the agency programs are divided into four major areas:

1. Licensing & Certification.
2. Nursing Education Program Initial & Continuing Program Approval.
3. Regulation- Enforcement/Investigations, Discipline & CANDO Program.
4. Practice-Nursing regulation/statutes and scope of practice.

- Licensing & Certification:

In FY2012 the agency received a total 40,117 applications. This was a 5% increase over applications received in FY2011. The applications are verified, and imported into our data base. After review of the application by a licensing tech, a deficiency notice is sent to every applicant telling them what is deficient about their application. Typical deficiencies may include: 1.Submission of fingerprint cards for a criminal background check on all RN/LPN/ CNA exam and endorsement applicants; 2.Required documentation, for lawful presence; 3.Educational transcripts; 4.Verification of licensure/certification in another state; 5.Education equivalency evaluation reports, 6. Disciplinary actions taken in other states.

All applications are carefully reviewed to determine if the licensure/certification requirements are met. If the criminal background check returns with a “positive” result, the application is scanned and forwarded to Investigations where a complaint is opened for review. If all requirements are met, the license/certificate is issued to the applicant.



- Nursing Education Program Initial & Continuing Program Approval:

The Board currently approves 38 RN and LPN programs leading to licensure, 141 nursing assistant programs, 12 refresher programs and 12 advance practice programs. Reviews of RN and LPN programs occur every 1-10 years depending on the approval and accreditation status of the program. Advance practice programs are reviewed on the same cycle as pre-licensure programs. By federal law, nursing assistant programs must be reviewed every 2 years. Refresher programs are reviewed every 4 years.

The Board relies on the recommendations of the Education Advisory Committee in making approval decisions. During FY 2012, 10 nursing programs were investigated for potential violation of Board rules. One program had over 30 complaints in one investigation, one had 3 complaints in separate investigations and one had 2 complaints. Most complaints were dismissed or dismissed with a letter of concern. One program was referred to the hearing department for resolution. There were 6 investigations of CNA programs, most of which were dismissed or resulted in a notice of deficiency. One CNA program voluntarily surrendered.

- Discipline & Enforcement & CANDO Program

In the process of regulation the Board investigates licensees/certificate holders who are reported for unsafe or incompetent care and other possible violations of the NPA. Within the Investigation Division is the Hearing Department, the Monitoring Department and the CANDO program. Investigative functions typically accounts for 60-70% of the total Board expenditures.

The Board typically receives 200 complaints or self reports a month. Approximately 50 of those complaints, after initial document review and assessment, are deemed to be low risk/harm and triaged as “do not open”. Approximately 150 investigations are opened on persons considered to be of moderate to high risk/harm.

In 2008 there were 533 disciplinary actions taken against RN’s/LPN’s which included approximately 200 nurses being disciplined and placed on probation and/or were suspended or revoked. In 2011 the number of disciplined nurses increased by 58% or 922 disciplinary actions.

In FY 2011 and FY 2012, approximately 350-400 Certified Nursing Assistants had their certifications denied, revoked, suspended or received civil penalties out of the pool of approximately 27,000 certified nursing assistants.

The agency is funded to manage the RN/LPN program through the revenues collected from various licensing fees charged to the RN/LPN. To administer the CNA program the Board

receives federal funding passed to the agency through the Department of Health Services (DHS) and the Arizona Healthcare Cost Containment System (AHCCCS).

## **Overview of the Agency**

As stated previously, central to the Board's purpose is the welfare and health of the public. This is the reason for the Board existence. As such, public safety and access to qualified practitioners is central to the four main functions of the Nursing Board;

1. Licensing & Certification.

Assuring only qualified individuals are licensed or certified and have the basic educational preparation to practice safely.

2. Nursing Education Program Initial & Continuing Program Approval.

Enforcing standards to promote the preparation of qualified candidates for licensure & certification.

3. Regulation-Enforcement, Discipline & CANDO Program.

Enforcing scope and standards of practice of licensed nurses and certified nursing assistants to remediate or remove unsafe practitioners from practice.

4. Practice.

Nursing regulations are current and reflect the state of the art and science of the practice.

Two key elements to the Board's success in meeting the mission are innovation and the ability to understand and respond to the dynamic changes within the healthcare and regulatory communities. The ability to do this is made possible through partnerships with other boards of nursing, nursing associations, and other nursing and healthcare organizations; each sharing and disseminating information. This 'collective' voice provides the platform on which to stay abreast of and counsel on, the matters of common interest and concern that affect the public health, safety and welfare.

By monitoring trends in public policy, the nursing practice, and education, timely amendments to the NPA are made, ensuring that the State's nursing statutes and rules reflect contemporary practice. In turn, changes to the Board's disciplinary processes and guidelines remain uniform and current and as the nursing practice becomes more complex, the Board's accountability to the approval of nursing education programs becomes more effective and efficient.

Moving forward, the current mission statement no longer accurately or completely reflects current agency principles, beliefs, and direction, and therefore, there is a need to revise and update the message. As such, in accordance with current agency vision and values, the Board revised the mission statement as follows:

## **Current Mission**

*The mission of the Board is to protect the public health, safety, and welfare through the safe and competent practice of nurses and nursing assistants.*

## **Proposed Revised Mission To Be Consider by Board Members**

*The mission of the Arizona State Board of Nursing is to protect and promote the welfare of public by ensuring that each person holding a nursing license or certificate is competent to practice safely. The Board fulfills its mission through the regulation of the practice of nursing and the approval of nursing education programs. The mission, derived from the Nursing Practice Act, supersedes the interest of any individual, the nursing profession, or any special interest group.*

## **Vision**

*The public receives safe and competent care from nurses and certified nursing assistants through evidenced based nursing regulation that is consistent and fair.*

## **Values**

Acting in accordance with high standards of ethics, accountability, efficiency, effectiveness and openness, the Board approaches the mission with a deep sense of purpose and responsibility and affirms that the regulation of nursing is a public and private trust.

There are four core values identified that guide and direct the behavior of Board Members and staff at all levels of the agency. Taken together, these values describe the culture of the Board in carrying out the mission of the agency.

The agency is committed to:

- **Integrity – Honesty, fairness and objectivity in the development and enforcement of laws and regulations**
- **Responsiveness- Taking initiative, communicating openly and demonstrating accountability and care in all endeavors**
- **Collaboration – Working in a cooperative spirit while maintaining respect for all individuals**
- **Excellence – Excellence and quality be delivering consistent, effective and efficient services**

## **Strategic Issues:**

### **Goals**

The agency has identified five goals that will direct future actions and decision-making. These goals include:

- **Goal 1 – Assure governance framework supports the Board’s mission and vision**
- **Goal 2 – License/certify only qualified nurses and nursing assistants that assures public safety**
- **Goal 3 – Investigate unsafe or incompetent nurses and certified nursing assistants; remediate or remove from practice**
- **Goal 4 –Review and approve or deny nursing education programs consistent with Board rules**
- **Goal 5- Ensure nursing regulations are current and reflect state of the art & science of practice.**

## **Strategies**

### **Strategic Initiatives**

#### **1. Governance goal**

- a). Ensure board member are educated on principles of governance;
- b). Improve evidenced based decision making by integrating data driven processes;
- c). Enhance communication between the Board and consumers, key stakeholders and Advisory Committees to support change and innovation for improved public protection;
- d). Explore possibility of Just Culture implementation;
- e). Develop educational outreach activities related to nursing regulation

## **2. Licensure goal**

- a). Improve processes for licensure/certification;
- b). Implement “promising practices” from the National Council State Boards of Nursing (NCSBN) Commitment to Ongoing Excellence research;
- c). Maximize use of technology for licensing applications/verifications;
- d). Develop electronic finger printing process;
- e). Implement legislation in 2016 for the Advanced Practice Registered Nurse (APRN) Compact

## **3. Investigation goal**

- a). Provide for an effective alternative to discipline under the program for nurses who have substance abuse disorders (CANDO);
- b). Update disciplinary guidelines for consistent sanctions utilizing precedents;
- c). Improve processes for investigations and compliance;
- d). Provide for an effective probationary period for those that need monitoring as part of the discipline;
- e). Promote evidenced based regulation and practice breakdown research that provides for public protection.

## **Nursing education goal**

- a). Review and improve educational rules that directs quality education regardless of educational delivery method;
- b). Review and approve or deny nursing educational programs consistent with Board rules;
- c). Support statewide conferences to enhance competencies of nursing program faculty;
- d). Review and investigate nursing program complaints and, evaluate for trends; report to nursing programs as is appropriate;
- e). Obtain program admission and completion data and partner with programs/facilities to address issues;
- f). Identify research topics related to nursing regulation and develop strategies to conduct research.

Resource Assumptions:

Arizona State Board of Nursing  
Agency Summary  
Five Year Strategic Plan  
Fiscal Years 2013-2017

	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Estimate	FY 2016 Estimate	FY 2017 Estimate
Fulltime-Equivalent Positions (FTE)	40.2	42.2	42.2	42.2	42.2
Other Appropriated Funds	4,056,000	4,597,359	4,587,999	4,587,999	4,587,999
Non-Appropriated Funds	194,570	50,000			
Federal Funds	414,600	414,600	414,600	414,600	414,600
Total Agency Funds	4,665,170	5,061,959	5,002,599	5,002,599	5,002,599

Assumptions:

The Resource Assumptions assume full funding of the Board’s Decision Package in the FY 2014 Budget.

All Non-Appropriated Funding is private grant funding specified for educational research and not available for use for agency operations.

Federal Funding remains static across years.

**Agency Summary**

BOARD OF NURSING

Jo Elizabeth Ridenour, Executive Director  
Phone: (602) 771-7801  
A.R.S. §§ 32-1601 to 32-1668

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
➤ LICENSING AND REGULATION - RN/LPN	4,243.3	4,149.2	4,690.5	4,681.2
➤ NURSING ASSISTANT	597.0	414.6	414.6	414.6
<b>Agency Total:</b>	<b>4,840.3</b>	<b>4,563.8</b>	<b>5,105.1</b>	<b>5,095.8</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	4,158.9	4,056.0	4,597.3	4,588.0
Other Non Appropriated Funds	681.4	507.8	507.8	507.8
<b>Total Funding</b>	<b>4,840.3</b>	<b>4,563.8</b>	<b>5,105.1</b>	<b>5,095.8</b>
<b>FTE Positions</b>	<b>51.3</b>	<b>51.5</b>	<b>53.5</b>	<b>53.5</b>

**Program Summary**

LICENSING AND REGULATION - RN/LPN

Jo Elizabeth Ridenour, Executive Director  
 Phone: (602) 771-7801  
 A.R.S. §§ 32-1601 to 32-1668

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	4,158.9	4,056.0	4,597.3	4,588.0
Other Non Appropriated Funds	84.4	93.2	93.2	93.2
<b>Total Funding</b>	<b>4,243.3</b>	<b>4,149.2</b>	<b>4,690.5</b>	<b>4,681.2</b>
<b>FTE Positions</b>	<b>40.5</b>	<b>40.6</b>	<b>42.6</b>	<b>42.6</b>

◆ **Goal 1** To reduce the cycle time needed to issue certificates and licenses for examinee, endorsement and renewal applicants.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average score on customer service survey (Scale of 1 - 8)	6.52	7.0	7.08	7.2	7.3	7.3
Average days from application received to RN/LPN renewal license issued	16.4	17	6	6	5	4
RN/LPN renewals issued (4-year cycle)	15,406	15,000	17,837	18,000	18,200	18,200
Total licensees Registered Nurses and Licensed Practical Nurses	83,237	82,000	84,732	86,000	86,500	87,000

◆ **Goal 2** To reduce the cycle time needed to investigate complaints, complete hearings and increase compliance with consent agreements and Board orders.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Total complaints received	931	980	1,078	1,100	1,150	1,200
Percent of licensees with disciplinary action	.8	.7	.5	.5	.6	.6
Average hours per investigation needed to complete a case	17.4	17.4	24.7	25.0	25.0	25.0
Average months needed to complete investigations and present cases to the Board	7.1	6.5	7.5	7.6	7.8	7.8
Average calendar days from receipt of RN/LPN complaint to resolution	221	220	217	220	215	215
Average calendar days per investigation from start to final adjudication	267	220	289	275	260	260
Percent of investigations resulting in disciplinary enforcement action	46	72	64	65	70	70

◆ **Goal 3** To effectively provide a non-disciplinary Chemically Addicted Nurse Diversion Option (CANDO) program.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Licensees in CANDO program	207	200	175	190	200	200
Licensees completing CANDO program (%)	51	48	61	60	63	65

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Nursing programs monitored for non-compliance	5	4	5	4	5	5
Examinees from program successfully passing NCLEX	3,143	3,200	3287	3375	3450	3500

**Program Summary**

NURSING ASSISTANT

Jo Elizabeth Ridenour, Executive Director  
Phone: (602) 771-7801  
A.R.S. § 32-1645

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	597.0	414.6	414.6	414.6
<b>Total Funding</b>	<b>597.0</b>	<b>414.6</b>	<b>414.6</b>	<b>414.6</b>
<b>FTE Positions</b>	<b>10.8</b>	<b>10.9</b>	<b>10.9</b>	<b>10.9</b>

◆ **Goal 1** To operate the program efficiently and effectively.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of applicants or certificate holders reporting very good or excellent service	6.60	7.0	6.6	7.0	7.0	7.0
<b>Explanation:</b> Effective January 2008 new statutory requirements went into effect regarding lawful presence in the United States.						
Average calendar days from receipt of completed application to denial of certification	400	400	369	350	300	300
Total individuals certified as nursing assistants	25,707	26,000	27,056	27,500	27,800	28,500
Total complaints received	572	600	645	650	675	675
Average calendar days from receipt of CNA complaint to resolution	299	280	264	260	255	255
Percent of CNA's with disciplinary action	1.7	1.7	1.3	1.7	1.7	1.7
Total investigations conducted - status closed	625	650	636	675	700	700
Percent of investigations resulting in disciplinary enforcement action	53	60	55	60	60	60
Average calendar days per investigation from start to final adjudication	253	250	315	300	280	280

# Board of Examiners of Nursing Care Institution Administrators and Adult Care Home Managers

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**Arizona State Board of Examiners of  
Nursing Care Institution Administrators and  
Assisted Living Facility Managers**

**STRATEGIC PLAN**

**Fiscal Years  
2013-2018**

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## **Executive Summary**

The Arizona State Board of Examiners of Nursing Care Institution Administrators and Assisted Living Facility Managers (“Board”) accomplishes its mission with one Executive Director, Licensing Coordinator, Investigator and a nine member Board that meets monthly. The Jurisprudence exam required for licensure for all applicants is offered on the first Thursday of every month. The Board operates both effectively and efficiently through its updated database, interactive website that includes important updates and information, forms, licensee directory, and directory of approved continuing education classes and initial training providers.

The Board reviews every new license and certificate application and ensures that all items necessary for the administrative completeness of the application have been met. To assist in this review, the Board has established a check-sheet which is attached to each application file and lists all administrative application requirements as stated in the Board's Statutes and Rules. Following the administrative completeness review, the Board reviews the substantive information in each application file to ensure that the applicant meets minimum moral character requirements. Items considered in this review include, criminal history and disciplinary actions imposed by other jurisdictions.

The Board reviews every license and certificate renewal application in a similar fashion as new applications. The Board also audits compliance to the continuing education biannual requirements at the time of renewal.

The Board reviews and approves continuing education classes to ensure that meaningful quality education is available for licenses and certificate holder to meet their renewal requirements.

The Board has a well-structured process for investigating complaints made against its licensees and certificate holders. The investigation process is clearly separated from the adjudication process. Written procedures were developed to outline the complaint process and the order in which things occur, so the complaint is investigated properly and to ensure the due process of the licensee or certificate holder.

The Board recently was mandated by statute to set the standards and regulate assisted living facility training programs which includes initial manager training and caregiver training. Once the rules are promulgated, the Board will be responsible for approving training programs, renewing training programs annually, and regulate compliance of the training programs.

### **Mission**

The Board's mission is 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.

### **Vision**

The Board's vision is to efficiently, economically and to use technology in every way to accomplish the Board's mission.

### **Board Description**

The Board is made up of nine members who are appointed by the Governor. The Board is representative of each professional group and the public. The Board regulates administrators of skilled nursing institutions, managers of assisted living facilities, and assisted living facility training programs.

The Board regulates the professional standards of administrators who are responsible for the overall operation of skilled nursing care institutions. These facilities care for acute patients, elderly dementia or Alzheimer residents, rehabilitation, and other severe patient conditions.

The Board also regulates the professional standards of managers who are responsible for the overall operation of assisted living facilities which could be residential homes or large centers. These facilities care for elderly residents who may need only minor assistance with daily activities up to including residents who cannot direct self-care.

The Board regulates assisted living facility training programs, which require training standards to be met to ensure proper skills are developed for caregivers who work in an assisted living facility and managers who run the facility operation.

## Strategic Issues

<b>Goal #1</b>	<b>To ensure licenses are granted or renewed to qualified administrators and managers</b>					
<b>Performance Measures:</b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
New licenses/certificates issued						
License/certificate applications received						
Active licensees/certificates						
Average number of days to process initial license/certificate applications <b>(Goal: 90 days)</b>	90	90	90	90	90	90
Average number of days to process license/certificate renewal <b>(Goal: 7 days)</b>	7	7	7	7	7	7

<b>Goal #2</b>	<b>To effectively investigate and adjudicate complaints pursuant to statutes and rules</b>					
<b>Performance Measures:</b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Total number of complaints received.						
Total number of complaints resolved.						
Average number of days from open to Board review of complaint. <b>(Goal 120 days)</b>	120	120	120	120	120	120

<b>Goal #3</b>	<b>To ensure quality continuing education is approved</b>					
<b>Performance Measures:</b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Total number of continuing education applications						
Average number of days to process sponsor applications for continuing education <b>(Goal: 7 days)</b>	7	7	7	7	7	7

<b>Goal #4</b>	<b>To ensure customer satisfaction</b>					
<b>Performance Measures:</b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Total number of license verifications						
Total number of customer satisfaction surveys						
Average number of days to process verifications of licensure <b>(Goal: 7 days)</b>	7	7	7	7	7	7
Average customer satisfaction rating on a scale of 1 - 8. <b>(Goal: 7 on scale)</b>	7	7	7	7	7	7

## Resource Assumptions

### Funding and FTE Summary

Description	FY2013 Actual	FY2014 Estimate	FY2015 Estimate	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
FTE Positions	6	6	6	6	6	6
Appropriated	425,700	425,700	425,700	425,700	425,700	425,700



## Agency Summary

### BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND ADULT CARE HOME MANAGERS

Allen Imig, Executive Director  
 Phone: (602) 542-8156  
 A.R.S. § 36-446.02

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	337.5	426.7	426.7	426.7
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>337.5</b>	<b>426.7</b>	<b>426.7</b>	<b>426.7</b>
<b>FTE Positions</b>	<b>5.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>

◆ **Goal 1** To ensure consistent and timely investigations of complaints and enforcement action in accordance with statutes and rules.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Complaints opened	106	130	172	130	140	150
Disciplinary actions	52	60	77	60	60	65
Fiscal year complaints resolved	97	110	156	120	120	125
Average number of days from open to close of complaint, within fiscal year	85	120	97	120	120	120
Number of complaint and application investigations conducted	103	115	166	115	120	125

◆ **Goal 2** To ensure that licenses and certificates are granted or renewed to qualified administrators and managers.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of existing licenses and certificates	2,789	2,800	2,690	3,025	2,750	3,050
Number of new applications filed	433	440	351	365	370	375
Number of new licenses issued	325	330	301	320	330	340
Number of new and existing licenses	3,114	3,200	2,991	3,150	3,000	3,200
Number of renewal applications processed	1891	600	499	1,900	520	1920
Average calendar days to renew a license	4	3	2	4	3	4

◆ **Goal 3** To ensure that agency operations are effective and efficient.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Customer satisfaction (scale of 1-8)	7.9	7.5	7.8	7.5	7.5	7.5
Administration as percent of total cost	5.2	5.3	5.3	5.4	5.4	5.4

◆ **Goal 4** To ensure quality continuing education is approved

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of CE sponsor applications	424	500	528	500	525	525
Average number of days to process CE sponsor applications	3	4	3	4	4	4

◆ **Goal 5** To ensure public information requests and license verifications are completed timely.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
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<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average number of days to process a public records request	2	4	3	4	4	4
<b>Explanation:</b> Implemented starting FY07						
Average number of days to process a license verification	2	3	2	3	3	3
<b>Explanation:</b> Implemented starting FY07						

# Board of Occupational Therapy Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



**ARIZONA BOARD OF OCCUPATIONAL THERAPY EXAMINERS**

**4205 N. 7<sup>th</sup> Avenue, Suite 305**

**Phoenix, Arizona 85013**

**[www.ot.az.gov](http://www.ot.az.gov)**

**FIVE YEAR STRATEGIC PLAN**

**FY 2013 – FY 2018**

J. Randy Frost

Executive Director

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## **EXECUTIVE SUMMARY**

The Arizona Board of Occupational Therapy Examiners was established by the Arizona Legislature to regulate this profession. As such the Board issues and renews 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 inquiries from consumers as to the license status of individual occupational therapy professionals.

### **Goals**

- To improve the efficiency of licensing, regulatory and information dissemination processes.
- To eliminate the bureaucracy in the licensing and regulatory process.

The strategies to accomplish these goals will center on maximizing resources, becoming more transparent and increasing access by modernizing automation. This will ensure that qualified occupational therapists and occupational assistants can be quickly and efficiently licensed in order to maintain a pool of qualified health care providers, and allow the Board to concentrate resources where they are needed to effectively investigate, regulate and discipline the small percentage of practitioners who require remediation. We will also revise our current statutes and rules so that they are clear and concise making them easier for interpretation.

### **Mission**

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

### **Agency Description**

The Board of Occupational Therapy Examiners is a regulatory board which issues and renews bi-annually approximately 3000 active licenses for the occupational therapy profession and monitors 1500 closed licenses. By law, the Board requires that each applicant meet minimum standards of education, experience, and competency. The Board also receives and investigates complaints, takes appropriate disciplinary action, and responds to inquires from consumers as to the license status of individual occupational therapy professionals.

**Strategic Issues**

The Board members and the regulated community have handed Board Staff two (2) main issues that they want resolved by 2014. The issues center on ease of access to licensing information and revised statutes and rules that are up to date, clear and concise. Funding these projects will require the Board to seek approval in the FY 14 budget to increase its fund allocation.

**Strategies**

1. Replace our outdated on-site access data base program with an off-site SQL program to allow access from anywhere. By automating the Board’s application process applicants will be able to go on line and apply which will reduce the application processing time.
  
2. Work with State Legislature and The Governors Regulatory Review Council to revise outdated and often confusing statutes and rules.

<b>Resource Assumptions</b>						
	FY 2012 Appropriation	FY 2013 Budget Request	FY 2014 Estimate	FY 2015 Estimate	FY 2016 Estimate	FY 2017 Estimate
FTEs	1.5	1.5	1.5	1.5	1.5	1.5
Other appropriated funds	168,400	162,700	181,800	181,800	181,800	181,800
Total Agency Funds	168,400	162,700	181,800	181,800	181,800	181,800

## Agency Summary

### BOARD OF OCCUPATIONAL THERAPY EXAMINERS

J.Randy Frost, Executive Director  
 Phone: (602) 589-8353  
 A.R.S. §§ 32-3401 to 32-3445

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ BOARD OF OCCUPATIONAL THERAPY EXAMINERS	167.0	162.7	181.7	181.7
<b>Agency Total:</b>	<b>167.0</b>	<b>162.7</b>	<b>181.7</b>	<b>181.7</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	167.0	162.7	181.7	181.7
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>167.0</b>	<b>162.7</b>	<b>181.7</b>	<b>181.7</b>
<b>FTE Positions</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>

**Program Summary**

**BOARD OF OCCUPATIONAL THERAPY EXAMINERS**

J. Randy Frost, Executive Director  
 Phone: (602) 589-8353  
 A.R.S. §§ 32-3401 to 32-3445

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	167.0	162.7	181.7	181.7
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>167.0</b>	<b>162.7</b>	<b>181.7</b>	<b>181.7</b>
<b>FTE Positions</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>

◆ **Goal 1** To investigate and adjudicate complaints within 120 days

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of occupational therapy complaints received	8	10	10	10	10	10
Number of complaints resulting in disciplinary action	4	5	4	5	5	5
Complaints resolved within 120 days	8	10	9	10	10	10
Percent of complaints resolved within 120 days	100	100	90	100	100	100

◆ **Goal 2** To ensure that licenses and renewals are issued in a timely manner to Occupational Therapists and Occupational Therapy Assistants with high standards of professional and ethical standards.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of license renewal applications received and renewed (OTs and OTAs)	749	1200	1293	750	1300	750
Number of Licensees (OTs and OTAs)	2498	2500	3174	3500	3800	4100
Number of initial license applications received (OTs and OTAs)	327	350	269	300	325	350
Number of Initial Licenses Issued (OTs and OTAs)	327	350	269	300	350	375
Average calendar days to process a renewal application	5	5	5	5	5	5
Average calendar days to issue an initial license	5	5	5	5	5	5

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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of licenses issued within 10 days of approval	100	100	100	100	100	100
Number of individuals licensed as occupational therapists	1076	1100	1848	2000	2100	2500
Customer Satisfaction rating (scale 1-8)	7.8	7.8	7.9	7.9	8.0	8.0



# Board of Dispensing Opticians

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# ARIZONA STATE BOARD OF DISPENSING OPTICIANS

## FIVE-YEAR STRATEGIC PLAN

8/15/2012

### Mission:

To protect the visual health of the citizens of Arizona by regulating and maintaining standard of practice in the field of opticianry.

To this end, the Board regulates the opticianry profession through administering examinations, issuing licenses to qualified opticians and optical establishments, proposing legislation, enacting rules and regulations and investigating complaints brought to the Board against licensed opticians and optical establishments

### Description:

The Board of Dispensing Opticians examines and licenses professionals to practice in the field of opticianry and licenses optical establishments. This Board is distinguished from the Board of Optometry, which regulates optometrists, whereas dispensing opticians fill orders for and fit persons with corrective eyewear. The Board of Dispensing Opticians accepts complaints against licensees, investigates allegations, and administratively adjudicates complaints.

### Goals and Objectives

**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.**

Objective #1: By December 2012, the Board Examination Committee will meet to discuss any changes needed to the State Practical Examination. The committee will bring any needed changes for a full Board vote.

Objective #2: By December 2013, the Board will implement any needed changes to the State Practical Examination.

Objective #3: Over the next two fiscal years, new equipment will be purchased to replace outdated equipment used for the State Practical Examination.

The Board has available resources to accomplish objectives #1 and #2. An increase in appropriations has been requested for FY 13 and FY 14 to fund objective #3. The Board has the available resources to accommodate an increase in appropriations.

**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.**

Objective #1: By the end of fiscal year 2013, the Executive Director will increase the number of optical establishments visited and inspected.

Objective #2: By the end of fiscal year 2014, the Board will actively recruit more retired licensed opticians to serve as investigators.

The Board has requested an increase in travel funds to accommodate the establishment inspections. The Board has the available resources to accommodate an increase in appropriations.

**Goal #3: To better protect the public through the administration of the continuing education requirement in order to upgrade the profession of opticianry in accordance with the Board's mandate.**

Objective #1: By December 2012, the Board Continuing Education Committee will meet to discuss the number of continuing education hours required by rule for opticians to have completed in every three year period.

Objective #2: Introduce legislation and Implement Rule package, if necessary, to accommodate any changes suggested by the committee.

Existing funds will be used to initiate action to attain goals and accomplish objective.

**Goal #4: To maintain consistency in opticianry licensure and regulation with other states through membership in governmental and industry associations (FARB, CLEAR, AADO, OAA, and ABO) and to interact with the optical industry on a statewide basis.**

Objective #1: At least one Board member or the Executive Director will attend no less than one governmental or industry related seminar each fiscal year.

Objective #2: Development of an annual newsletter and mailing list containing an update on changes in regulation, etc., to be mass mailed to licensees and other members of the ophthalmic industry within Arizona and in other states.

An increase in appropriations will be necessary to implement these goals and accomplish objectives. The Board has the available resources to accommodate an increase in appropriations.

## Agency Summary

### BOARD OF DISPENSING OPTICIANS

Lori D. Scott, Executive Director  
 Phone: (602) 542-8158  
 A.R.S. § 32-1671

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	132.7	131.3	146.0	146.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>132.7</b>	<b>131.3</b>	<b>146.0</b>	<b>146.0</b>
<b>FTE Positions</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

- ◆ **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	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Optician licenses issued	64	60	69	65	70	70
Optician renewal applications processed	738	750	766	780	780	790
Establishment licenses issued	33	20	33	15	15	15
Establishment renewal applications processed	311	365	361	370	370	375

**Explanation:** Establishments are renewed June 30, so total carries over into the next fiscal year

Average number of days from receipt of application for establishment license to granting of license	18	15	13.4	15	15	15
Percentage of renewals within 3 days	91	98	98	98	98	98
Customer satisfaction rating (Scale 1-8)	8	8	8	8	8	8
Number of licensees (new and existing)	1,133	1,160	1,188	1,200	1,220	1,240

- ◆ **Goal 2** To investigate and resolve consumer and Board initiated complaints in accordance with statutes and rules in order to protect the public from incompetent services and unprofessional and unethical conduct.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Complaints about licensees received and investigated	12	5	6	5	5	5
Complaints resolved	12	5	6	5	5	5
Disciplinary action	2	5	1	5	5	5
Number of days from receipt of complaint until completion	58	80	73	80	80	80

**Explanation:** Number of days is an average of all complaints

Establishment Inspections	53	175	110	180	180	180
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- ◆ **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	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of licensees fulfilling continuing education requirement	100	100	100	100	100	100

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<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of licensees fulfilling requirement	115	135	130	436	166	189

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# Board of Optometry

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# **Arizona State Board of Optometry**

## **STRATEGIC PLAN**

**Fiscal Years  
2013-2018**

**September 5, 2012**

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## **Executive Summary**

The Arizona State Board of Optometry (“Board”) accomplishes its mission with one Executive Director, licensing administrator and a seven member Board that meets at least six times per calendar year. The Jurisprudence exam required for licensure for all applicants is offered on the second Friday of every month. The Board operates both effectively and efficiently through implementation of an online renewal/payment system, website and licensee directory online

The Board reviews every new license application and ensures that all items necessary for the administrative completeness of the application have been met. To assist in this review, the Board has established a check-sheet which is permanently attached to each application file and lists all administrative application requirements as stated in the Board's Statutes and Rules. Following the administrative completeness review, the Board reviews the substantive information in each application file to ensure that the applicant meets minimum moral character requirements. Items considered in this review include, but are not limited to, criminal history, malpractice case history, disciplinary actions imposed by other jurisdictions, actions taken by insurance carriers and healthcare facilities, and mental and physical fitness.

The Board reviews every license renewal application in the same fashion as new applications. Following the administrative completeness review, the Board reviews the substantive information for the same items as new license applications as well as continuing education requirements.

The Board has a well-structured process for investigating complaints made against its licensees. The investigation process is clearly separated from the adjudication process. Written procedures have been developed to define the steps to be taken, and the order in which those steps are taken, to properly investigate the complaint as well as ensure the due process of the licensees under investigation.

The Board reviews all new applications for registrations to dispense drugs and devices to ensure that the minimum requirements are met. Following the initial application, the dispensing registration is renewed contemporaneously with the biannual primary license renewal. The Board ensures that licensees who hold a dispensing registration continue to meet the minimum registration requirements.

### **Mission**

The Board's mission is to protect the health, safety, and welfare of Arizona citizens by regulating and ensuring that Arizona's optometrist's meet the highest standards of the profession.

### **Vision**

The Board's vision is protection of the public through vigorous enforcement of the law, ensuring that the highest quality of comprehensive eye care is available to the citizens of Arizona and that it is delivered by qualified optometric practitioners.

### **Board Description**

Optometrists (Doctors of Optometry) are licensed by the Arizona State Board of Optometry. They are independent primary health care providers who examine, diagnose, treat and manage diseases and disorders of the visual system, the eye and associated structures as well as diagnose related systemic conditions.

They examine the internal and external structure of the eyes to diagnose eye diseases including but not limited to glaucoma, cataracts and retinal disorders; systemic diseases like hypertension and diabetes; and vision conditions like nearsightedness, farsightedness, astigmatism and presbyopia. Optometrists also test to determine the patient's ability to focus and coordinate the eyes, and to judge depth and to distinguish colors accurately.

They prescribe eyeglasses and contact lenses, low vision aids, vision therapy and medicines to treat eye diseases. As primary eye care providers, optometrists are an integral part of the health care panel and an entry point into the health care system. They are skilled in the co-management of care that affects the eye health and vision of their patients and an excellent source of referral to other health care professionals.

## Arizona State Board of Optometry

<b>Goal #1</b>						
<b>To ensure that licenses are granted or renewed to qualified optometrists</b>						
Goal time (in calendar days): 75						
Performance Measures: measured by %	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Process an initial licensure by exam application within 75 days of the overall timeframe	90	90	90	90	90	90
Process an initial licensure by endorsement application within 75 days of the overall timeframe	90	90	90	90	90	90
Process a license renewal within 45 calendar days	100	100	100	100	100	100
75-day time-frames are pursuant to Table 1 and A.R.S. §§32-1722 and 1723; 45 day renewal timeframe pursuant to Table 1.						
<b>Goal #2</b>						
<b>To effectively investigate and adjudicate complaints pursuant to statutes and rules</b>						
Goal time (in calendar days): 120						
Performance Measures:	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
% of complaints resolutions from receipt to completion within 120 calendar days	100	100	100	100	100	100
<b>Goal #3</b>						
<b>To ensure agency policies and procedures are effective and efficient. (Including testing, renewal, initial licensing, and Customer Satisfaction</b>						
Goal percentage: 7%						
Performance Measures:	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Administration as % of total cost	<4	<4	<4	<4	<4	<4
<b>Goal #4</b>						
<b>To ensure customer satisfaction regarding public information requests, license verifications, e-mail and phone communication</b>						
Goal time (in business days): 7						
Performance Measures:	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
% of license verifications completed within 7 business days	100	100	100	100	100	100
% of public information requests completed within 7 business days	100	100	100	100	100	100
% of e-mails, phone calls and internet requests completed within 7 business	100	100	100	100	100	100

### Strategic Issues

### Resources/Appropriations

Funding and FTE Summary for OBA fund 2023						
	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
FTE	2	2	2	2	2	2
Appropriations	197,800	197,800	198,500	198,500	199,000	199,000

## Agency Summary

### BOARD OF OPTOMETRY

Margaret Whelan, Executive Director  
 Phone: (602) 542-8155  
 A.R.S. § 32-1701

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	202.2	197.8	197.8	197.8
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>202.2</b>	<b>197.8</b>	<b>197.8</b>	<b>197.8</b>
<b>FTE Positions</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

◆ **Goal 1** To ensure that licenses are granted or renewed to qualified optometrists.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
New licenses issued	62	56	43	50	52	55
License applications received	58	60	45	50	50	50
Active licensees	1048	1055	1049	1060	1070	1075
Average time to process an initial license application (in days)	17.8	30	2.5	20	20	20
Average calendar days to renew a license	2	2	1.6	2	2	2

◆ **Goal 2** To effectively investigate and adjudicate complaints pursuant to statutes and rules.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total number of complaints received	26	35	28	32	35	35
Total number of complaints resolved	24	35	25	32	35	35
Average number of days from receipt of complaint to resolution	50	75	54	60	60	60
Total number of disciplinary actions	2	3	0	3	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	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total number of written public information requests	228	250	318	325	325	325

◆ **Goal 4** To ensure agency policies and procedures are effective and efficient (including testing, renewal, initial licensing, and certificates of special qualification).

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Prompt response to renewal applications with deficiencies (percent)	100	100	100	100	100	100
Administration as % of total cost	4	7	4	7	7	7

# Occupational Safety and Health Administration (OSHA) Review Board

- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

### Agency Summary

#### OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA) REVIEW BOARD

Laura McGrory, Director  
 Phone: (602) 542-4411  
 A.R.S. § 23-422

**Mission:**

*To be an independent body that adjudicates appeals of administrative law judge decisions regarding citations issued by the Arizona Division of Occupational Safety and Health, a division of the Industrial Commission.*

**Description:**

The review board is an independent body that consists of five members appointed by the Governor. One member is a representative of management, one member is a representative of labor and three members are representatives of the general public. The Industrial Commission is responsible for all budgetary actions, including providing administrative support for the OSHA Review Board. The OSHA Review Board is otherwise considered independent of the Commission.

Under A.R.S. § 23-423, the review board hears and rules on requests for review of administrative law judge decisions of contested Occupational Safety and Health citations. All ADOSH cases start with an informal conference with the Industrial Commission's ADOSH division director. If a case is not resolved, the cited employer can request a hearing before an Industrial Commission administrative law judge. If either ADOSH or the cited employer disagrees with the outcome of that hearing, they can request review before the review board. The decisions of the review board can be appealed to the Court of Appeals.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>0.0</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>	<b>0.0</b>

◆ **Goal 1** To hear and rule on OSHA appeal cases.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Cases heard and ruled upon	2	0	0	3	3	3

# Board of Osteopathic Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



# ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY

## FIVE YEAR STRATEGIC PLAN

### MISSION:

The mission of the Arizona Board of Osteopathic Examiners in Medicine and Surgery is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns and residents to ensure that their conduct meets the standards of the profession.

### VISION:

The vision of the Board is the protection of the public by providing licensing and regulatory excellence.

### AGENCY DESCRIPTION:

The Board is comprised of five professional members and two public members. The agency processes applications for osteopathic medical licensure, permits for post graduate training, dispensing licensure, investigates and resolves complaints against licensees, and provides information regarding its licensees and the regulatory process. The Board determines and takes disciplinary action if it is determined that violations of the practice act have occurred.

### AGENCY CORE VALUES:

1. Teamwork and professionalism
2. Integrity
3. Efficient and respectful customer service
4. Commitment to excellence

### STRATEGIC ISSUES:

1. To identify and increase efficiencies while maintaining accuracy during licensing and investigation processes.

GOALS:

- A. To create the most expedited licensing process possible while maintaining public protection.

The Board will be exploring and striving to find ways that can create efficiency while continuing to provide accurate information when providing licensing services to applicants. The Board will evaluate and identify areas for improvement that will allow for a more expeditious licensing process for applicants. The Board must maintain its high standards to provide adequate public protection but will seek to find methods of obtaining accurate information for licensure requirements in a more timely manner.

Objective 1: To identify, evaluate and adopt activities that will decrease the average license processing timeframe by 35% over the next 4 years.

In FY2011, the licensing process averaged sixty (60) days to process and issue a license. The goal would be to decrease the licensing timeframe each year by five to ten percent.

We will reach out to other medical boards and evaluate their processes to benchmark our processes and identify improvements that can be made to decrease the licensing timeframe without jeopardizing public protection. In addition, there are training opportunities for staff that can be pursued, depending on funding, that will allow them to grow professionally and increase their skills and abilities in the licensing arena.

- B. To reduce the average number of day to resolve a complaint.

Objective 1: To identify, evaluate and incorporate policies and processes that will allow us to decrease the average complaint processing time (from receipt to closure/resolution) in each of the next five (5) years.

In FY2011, it took an average of 382 calendar days to resolve a complaint. Our goal will be to reduce this timeframe each year during the next five year period.

Again, this will involve the evaluation our processes, the ability to recognize and identify opportunities for improvement, while reaching out to other licensing agencies to consider and evaluate their processes. This will include the appropriate benchmarking. The agency may consider the hiring of an additional medical consultant on a part-time basis to allow us to work thru the backlog. Other options may include the pursuit of increasing our usage of outside medical consultants to provide case reviews. Based upon the specialization of the profession, this is very likely as certain cases require a specialist to properly evaluate the case. Both options are contingent on the availability of funding.

2. To identify and increase efficiencies in the day to day operations of the agency, the regulatory statutes and rules, and to maximize the use of information technology for providing information to our licensees, the public and other stakeholders.

GOALS:

- A. The Board has successfully utilized online renewals for the past few years. Each year the percentage of usage by licensees increases. We are striving to provide the ease and convenience of using the online vehicle for other services and products provided by the Board. In addition, these online transactions result in savings to the agency.

Objective 1: To identify, evaluate and implement changes that increase our ability to provide services to our customers. To maintain or improve our service to our customers. To be measured by a customer satisfaction survey.

## Agency Summary

### BOARD OF OSTEOPATHIC EXAMINERS

Jenna Jones, Executive Director  
 Phone: (480) 657-7703  
 ARS 32-1800 et seq

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	614.0	699.2	759.5	762.5
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>614.0</b>	<b>699.2</b>	<b>759.5</b>	<b>762.5</b>
<b>FTE Positions</b>	<b>6.7</b>	<b>6.7</b>	<b>6.7</b>	<b>6.7</b>

◆ **Goal 1** To issue and renew licenses promptly and in an effective manner

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of new and existing licenses	2534	2,600	2589	2,700	2750	2850
Number of applications for new license	200	165	212	165	175	190
Number of new license applications issued	176	185	206	185	185	200
Average days to issue new license	60	70	60	54	49	45
Percentage of renewals done online vs. paper/manually	66	75	70	75	78	83

◆ **Goal 2** To investigate and resolve complaints in a timely manner

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Complaints received	184	185	176	185	180	180
Complaints investigated	200	165	152	165	165	165
Licensees who had disciplinary action taken	10	4	10	6	8	8
Average calendar days to resolve a complaint	382	360	474	380	320	300
Average calendar days to investigate a complaint	264	170	334	250	200	150
Number of complaints closed/resolved	211	200	146	200	200	200

◆ **Goal 3** To administer the agency efficiently and provide customer service to the public

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Administration as percent of total cost	17	20	17	16	12	12
Customer satisfaction rating (1-8)	7.6	7.0	7	7.0	7	7

# Parents Commission on Drug Education and Prevention

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**Arizona Parents  
Commission on Drug  
Education and Prevention**

**Five – Year Strategic Plan**

**September 2012**

# Arizona Parents Commission on Drug Education and Prevention

## **Agency Purpose/Description:**

The Arizona Parents Commission on Drug Education and Prevention, also known as the Parents Commission, was created by voter initiative in 1996. The Parents Commission's mandate is to increase and enhance parental involvement, and increase education about the serious risks and public health problems caused by the abuse of alcohol and controlled substances. The grant program will support programs that align with this purpose.

Its nine commissioners are appointed by the Governor and consist of five parents of children currently enrolled in Arizona schools and one representative each from the education, probation, treatment and prevention, and law enforcement professions.

The Parents Commission works jointly with the Governor's Office for Children, Youth, and Families (GOCYF), which performs the administrative and professional services for the commission.

## **Strategic Issues:**

The Arizona Youth Survey will be a useful tool for the GOCYF to assess prevention funding needs around the state in relation to substance use amongst Arizona's school-age youth. In awarding Parents Commission grants and contracts, the GOCYF will fund programs that increase and enhance parental involvement, and increase education about the serious risks and public health problems caused by the abuse of alcohol, tobacco, and other drugs, including but not limited to:

- Prescription Drug Abuse Prevention
- Underage Drinking Prevention
- Marijuana/Synthetic Marijuana Abuse Prevention
- Methamphetamine Abuse Prevention

## **Strategies:**

In State Fiscal Year 2013, the Parents Commission will continue to support programs that were awarded through competitive Request for Grant Applications processes in SFY2010 and 2011. Currently, 25 programs are funded in 8 Counties and are collectively addressing the strategic issues identified above. In this final year of the grant cycle, staff of the GOCYF will continue to monitor progress and compliance of grant terms through reviewing fiscal reports and program reports and site visits.

Beginning in State Fiscal Year 2014, the Parents Commission will award programs for a three-year grant cycle that meet the mandate of the Parents Commission through a competitive Request for Grant Application (RFGA) process. These programs will address substance abuse prevention efforts that focus on the needs of their communities. Programs will be considered in the following categories:

**Rural** – Rural is defined as a target area with a population of 75,000 or fewer.

**Tribal** – Eligible applicants include Federally recognized Indian Tribes; consortia of Indian Tribes; incorporated non-Federally recognized Tribes; incorporated non-profit multi-purpose community-based Indian organizations; urban Indian centers; National or regional incorporated non-profit Native American organizations with Native American community-specific objectives.

**Urban/County/Statewide** – Urban is defined as a target area with a population of more than 75,000. County is defined as a target area of a consortium of municipalities and/or a county-wide target area with a population of more than 75,000. Statewide is defined as a target area with a population of more than 75,000 in more than one county.

The Governor’s Office for Children, Youth and Families will be responsible for the overall management of the Parents Commission grant. Awarded programs will provide fiscal reports, program reports, participate in conference calls, meetings and annual site visits.

In addition to the competitive RFGA process, the Parents Commission will continue to offer event sponsorships in amounts ranging from \$1,500 to \$5,000 to programs that address the strategic issue areas through one-time events such as trainings, conferences, community events, etc. Sponsorships are available throughout the year with requests being due every other month for review and approval of the Parents Commission. Outreach and information meetings will be scheduled to ensure this funding opportunity is known and available to eligible programs.

The following entities will be eligible to apply and receive a Parents Commission grant or sponsorship: schools/school districts and institutions of higher education; non-profit 501(c) 3 organizations; local government entities; and Tribal Nations.



**Agency Summary**

PARENTS COMMISSION ON DRUG EDUCATION AND PREVENTION

Barbara Broderick, Chairwoman  
 Phone:  
 ARS 41-1604.17

- ◆ **Goal 1** To fund programs that increase and enhance parental involvement, and increase education about the serious risks and public health problems caused by the abuse of alcohol and controlled substances.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of individuals impacted directly and indirectly by programs and/or efforts funded by the Parents Commission, evidenced by program reports.	3,146,173	1,000,000	580,206	600,000	600,000	600,000

- ◆ **Goal 2** To increase public awareness through outreach and effective partnerships.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of public education and awareness events sponsored by the Parents Commission.	879	900	642	700	700	700

# State Parks Board

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## ARIZONA STATE PARKS BOARD FIVE-YEAR STRATEGIC PLAN: FY 2013 - 2017

### ARIZONA STATE PARKS MISSION STATEMENT:

“Managing and conserving Arizona’s natural, cultural and recreational resources for the benefit of the people, both in our parks and through our partners.”

### AGENCY DESCRIPTION

The Arizona State Parks Board was created in 1957 by the legislature to enhance the economies of rural Arizona while also protecting Arizona’s most precious historic and natural resources that now attract more than 2 million visitors each year, one-half of which are typically visitors to the state.

Arizona State Parks developed, and in collaboration with partners, manages 30 State Parks and Natural Areas and provides safe and enjoyable facilities and programs throughout the state. There are 62,000 acres of park property – 28% of which is owned by the State, and 72% of which is leased or under easement from federal or state entities. These properties include 1,300 campsites, recreational, environmental education and historic parks for the public to enjoy.

Arizona State Parks serves as an economic engine to the State of Arizona. Parks that are open year round and seven days a week, support 3,300 jobs in communities. The total economic impact of Arizona State Parks is \$266 million with direct expenditures by visitors calculated at \$163 million. Federal, state, and local tax generated by the more than 2 million visitors is \$ 44 million. Rural economies depend on open, well-kept and well-staffed state parks.

Other agency programs include the State Historic Preservation Office, which is responsible for the identification, evaluation and protection of Arizona’s prehistoric and historic heritage resources and compliance with federal and state laws. The agency also coordinates outdoor recreation & cultural preservation grant programs and statewide resource planning, public involvement and educational opportunities through partnerships for public purposes. Arizona State Parks is comprised of the Director’s Office and three divisions: Park Operations, Public Programs and Partnerships, and Administration.

### Park Operations and Development:

The Parks Division consists of two sections: the **Operations** and the **Development Sections**. The **Operations Section** is responsible for the operation and maintenance of Arizona’s State Parks, Natural Areas and historic and cultural areas. The agency started FY 2013 with a staff of just over 141 full-time and 69 part-time employees, more than 1,800 agency volunteers and Site Stewards, who, in FY2012 donated approximately 260,000 hours (which equates to \$5.1 million in estimated labor). The volunteer program extends the Arizona State Parks operational budget by 22%. There are also over 4,000 members of 15 Arizona State Parks Friends Groups.

**The Development Section** is responsible for the design, construction and overall maintenance of Arizona State Parks and natural areas. Major responsibilities include the selection of consultants for project design as budget permits and monitoring/inspection of projects from conception to completion. Staff completes in-house design and construction projects as well, and monitors water and wastewater quality. Staff prepares the agency’s two-year capital improvement plan. There is no funding for acquisitions at this time. Funding for Development is limited to \$1.2 million as approved by the Joint Committee on Capital Review. The two approved projects include electrification of 47 Campsites at Lake Havasu State Park and a new 8" Waterline at Lake Havasu State Park.

### **Public Programs & Partnerships:**

Public Programs & Partnerships division consists of *Resources and Public Programs*, the *State Historic Preservation Office (SHPO)*, and the *Marketing and Public Information* sections.

*The Resources & Public Programs (R&PP)* Section manages the following programs: cultural and natural resource study, protection and management; grants; statutorily mandated statewide and system research and planning; and coordination with ASP Board or Governor-appointed outdoor recreation advisory groups. This section is also responsible for managing over \$40 million in grants available to Arizona communities. Although many grant programs were devastated due to legislative sweeps or the elimination of grant programs, funded programs include one for open space conservation, federal recreational trails projects (both motorized and non-motorized), federal land and water conservation projects, and off-highway vehicle (OHV) recreation. The Statewide OHV Program Coordinator interacts with the Off-Highway Vehicle Advisory Group and OHV stakeholders statewide to promote safe and responsible OHV use and see that the funds available for motorized projects are used in the best manner.

The Arizona *State Historic Preservation Office: SHPO*, a division of Arizona State Parks, assists private citizens, private institutions, local governments, tribes, and state and federal agencies in the identification, evaluation, protection, and enhancement of historic and archaeological properties that have significance for local communities, the State of Arizona, and/or the Nation. The role and function of the SHPO is defined in both state law (Arizona Historic Preservation Act) and federal law (National Historic Preservation Act, as amended). Activities of the SHPO include:

- 1) Statewide survey to identify and evaluate historic structures and archaeological sites;
- 2) Nomination of eligible historic and archaeological properties to the National Register of Historic Places;
- 3) Review of federal and state actions that may affect historic and archaeological properties;
- 4) Technical assistance to state and federal agencies, and Tribes;
- 5) Technical assistance to owners of historic properties;
- 6) Technical assistance to Certified Local Governments/local preservation commissions;
- 7) Public education and awareness programs;
- 8) Administration of the Main Street program;
- 9) Assistance through matching grants; and assistance to property owners seeking tax credits and incentives.

The *Marketing and Public Information Office* coordinates marketing and public information through traditional mediums and new emerging channels. The section coordinates agency advertising, public relations, media relations (television, print, radio), special events, promotions, printing, website management and social media (e.g., Facebook & Twitter). The inhouse staff also creates television content and manages video distribution for the news media as well as YouTube. The Public Information Office develops communications plans and strategies for all sections about the programs and projects overseen by Arizona State Parks.

### **Administration:**

*The Director's Office* manages all three Divisions in the Agency, oversees implementation of the Strategic Plan and monitors progress toward meeting the Agency's Strategic Plan goals and objectives. The *Administrative Services Division* is responsible for implementing solutions, establishing policies and providing strategic direction with regard to the management of the agency's human, financial, and technology based resources.

## **STRATEGIC ISSUES**

### **Strategic Issue 1: COMPETITION FOR LEISURE TIME ACTIVITIES**

According to the 2011 American Time Use Survey, on an average day nearly everyone (95%) over the age of 15 engaged in some sort of leisure activity. Most common leisure activities take place in or near the home (e.g., watching TV, and socializing). Some of this social activity now takes place on computers or mobile devices (e.g., using social media sites, blogs, etc.). Advances in technology have increased the number of sedentary leisure activities individuals engage both in their own homes, and increasingly on the road as well (e.g., wireless internet access, portable DVD players, mobile computing devices). The expansion in use of these devices may also decrease leisure time, as the lines between work and leisure time blur, for example, when people check email on their phones during non-work hours, or take their laptops with them on vacation to complete work.

Even if they do choose to engage in outdoor recreation, Arizonans and visitors to the state have many options to choose from. The State has approximately 73 million acres (113,417 square miles), 42% of which is managed by the Federal government, 28% is owned and managed by tribal governments, and 13% is managed by The State Land Department. All of these entities provide outdoor recreation opportunities on at least a portion of the lands they manage. And the list above does not include counties, cities, towns, and others who also provide outdoor recreation opportunities.

### **Strategic Issue 2: NATIONAL RECESSION RESULTING IN THE NEED TO DEVELOP SUSTAINABLE FUNDING FOR THE AGENCY AFTER UNPRECEDENTED STATE BUDGET REDUCTIONS**

The Arizona State Parks system has not been adequately funded since 2003, when General Fund appropriations were cut. As a result, the agency had to convert capital and other funds to operating dollars. The diversion of these funds has occurred every year since 2003. The State Parks department has had no operating fund increases since 2002, and has been without a meaningful capital budget since 2003. This chronic lack of capital funding has led to the devastation of the individual parks infrastructure.

In addition, in response to the recent economic recession and budget cuts enacted by the State Legislature, the Agency's annual revenues decreased from approximately \$54.7 million in FY 2008 to approximately \$25.7 million in fiscal year 2012. Over that same period of time, approximately \$72.1 million in operation and pass-through monies were reduced, redirected, or transferred to the State General Fund or other state agencies in accordance with various laws. These cuts and sweeps resulted in the reduction of operational expenses through employee layoffs, a hiring freeze, the cancellation of grant awards to Arizona communities, cancellation of State Parks capital projects and the closure of three parks and reduction in operating hours at 17 State Park sites. In addition, 13 other parks were scheduled to be closed in February of 2010 but were saved.

Arizona State Parks sharply reduced park operating hours to prevent further closures and has continued to keep parks open to the public by signing 19 different partnership agreements for smaller and lower visitation historic and environmental education parks. These financial operating agreements are with other State agencies, counties, cities and towns, the Hopi Tribe, Arizona State Parks Friends Groups, and other non-profit organizations. Cost reductions and

partnerships resulted in a positive 'margin' of \$2.1 million for the system in FY 2012. However, the operation of the park system at such a reduced level is not sustainable in the long-term. Two long-term funding solutions have been proposed, one, in the legislature that was held in committee, and one did not garner enough signatures by the deadline to be referred to the ballot in 2012. In addition, the Agency has made efforts to identify and pursue opportunities to expand and enhance visitor experiences and increase revenues. Finally, the Agency is continuing to explore opportunities for significant expansions of on-park concessions.

The loss of state funding for park operations has created a need for the State Parks system to transition from being publicly funded to paying for its own operating expenses. According to the Morrison Institute report (2009), "no state park system has been able to break even while keeping its system in good shape" (p. 22). These reductions together with other factors have put the State Parks system's long-term financial sustainability at risk.

**Strategic Issue 3: BOARD DIRECTION TO AGENCY – INCREASE NET REVENUES, REDUCE NET COSTS, KEEP PARKS OPEN & OPERATING AND PROTECT NATURAL AND CULTURAL RESOURCES**

In response to recent financial challenges, the Arizona State Parks Board identified the following three guiding principles which have informed agency decision-making, direction and action, since October, 2010: 1) increase net revenues, 2) reduce net costs, and 3) protect natural and cultural resources.

**Efforts to increase net revenues have included:**

- 1) Increasing fees consistent with market demand;
- 2) Increasing concessions and revenue sharing at parks;
- 3) Launching and marketing a revenue enhancing reservation system;
- 4) Enhancing visitor experiences at parks through improved amenities (e.g., electrification of campsites, sand on the beach at Lake Havasu State Park);
- 5) Increasing partnerships that provide funding and support for the agency (e.g., Arizona Department of Environmental Quality, Arizona Department of Transportation, Arizona Fair Association, and County Supervisors);
- 6) Use of emerging technologies to market parks and enhanced tracking of marketing promotions.

**Efforts to reduce net costs have included:**

- 1) Reducing operating hours and seasons for some parks;
- 2) Replacing vacant full-time positions with seasonal positions;
- 3) Automating the application process for volunteers and posting volunteer vacancies on the website for easy access, and automating the reporting of volunteer hours in an online database;
- 4) Transferring the operating costs of some parks to partners.

**Protect natural and cultural resources:**

- 1) Keeping law enforcement personnel on-site during closures, or partnering with other entities to keep important natural and cultural resources safe from vandalism and other dangers;
- 2) Partnering with other entities, including volunteers in the Resource Inventory and Monitoring program to conduct high quality scientific research that informs natural resource protection management strategies;
- 3) Presenting scientific research conducted in the "outdoor laboratories" of the State Parks system to audiences in downtown Phoenix, the Arizona Science Center and other public venues as requested;

3) Working with skilled volunteers and other stakeholders, and businesses when funds were available to restore and protect cultural resources.

**Strategic Issue 4: MOVING FORWARD – ENHANCING PUBLIC EXPERIENCES AT PARKS, INTERNAL AND EXTERNAL COMMUNICATION AND EMPHASIS ON PLANNING FOR THE FUTURE**

The Arizona State Parks Board (ASPB) approved the strategic plan that the agency currently uses in October of 2010.

In September of 2012, the Office of the Auditor General completed a Performance and Sunset Review and Audit of Arizona State Parks, which contained suggestions for how the agency should move forward. The audit suggested that the Agency should continue to expand partnerships with interested governments and organizations, assess the steps it has taken to increase revenues to determine success of these new methods, and make modifications where necessary, and to create a new marketing plan to guide marketing efforts for the agency.

In addition, auditors suggested that the Board develop a strategic plan to specifically address the issue of long-term financial sustainability. As part of this strategic planning process, auditors suggested that the Board needs to define financial sustainability for the system and develop new goals and objectives specifically addressing this important issue. This plan should also include performance measures to assess agency progress toward goals. Also, the report states that the agency needs to conduct park-level assessments of Strengths, Weaknesses, Opportunities and Threats (SWOT) – both internal and external.

Changes in agency leadership, substantial reductions to agency funding and staffing levels, and the slow economic recovery have all created potential opportunities and necessitated a reexamination of what the agency should look like as it emerges from the recent economic crisis and confronts new financial realities. The Agency is emphasizing improving the visitor experience at Arizona State Parks through the addition of desired revenue enhancing amenities, by offering educational family-friendly programs and special events and the opportunity to participate in both traditional and emerging outdoor recreation opportunities. The agency is also focusing on working with partners to build tourism through media and public relations to draw more visitors, both Arizona residents and those from out of the state, to rural Arizona.

**Goal 1 – RESOURCES** – To provide sustainable management of our natural, cultural, recreational, economic and human resources.

**Strategies:**

Strategy 1: To keep all parks economically viable and open to the public.

Strategy 2: Increase visitation to the parks while carefully monitoring visitor impacts on natural resources.

Strategy 3: Engage in SWOT analyses for parks in order to provide enhancements that increase customer satisfaction and improve customer experiences at parks.

Strategy 4: Seek a solution to the backlog of capital needs that have resulted from insufficient funding, such as aging water and wastewater treatment facilities.

**Objective(s):**

A. By December 31, 2013, 100% of parks are open to the public, at least seasonally;

B. Visitation to Arizona State Parks will increase by 3% by June 30, 2013;

C. To increase the number of reservations made online by 5% by June 30, 2013;

- D. Produce an individual SWOT analysis for each park identifying opportunities to enhance visitor experiences and park revenues by December 31, 2013;
- E. Identify 1 potential funding source to address ADEQ compliance by June 30, 2013.

**Performance Measure:**

- A. Percentage of parks open to the public at least seasonally- **Section Responsible: Operations**
- B. Percentage increase in parks visitation from FY 2012 to FY 2013 -**Sections Responsible: All**
- C. Percentage change in number of online reservations made from FY 2012 to FY 2013 - **Section Responsible: Human Resources/Payroll/Information Technology Section**
- D. A SWOT analysis is available for every park by December 31, 2013 - **Sections Responsible: Resources & Public Planning & Operations**
- E. Identify funding source to complete ADEQ compliance - **Section Responsible: Executive Director**

**GOAL 1 – RESOURCES** – To provide sustainable management of our natural, cultural, recreational, economic and human resources.

Strategy 5: Agency staff has tools needed to complete job tasks efficiently due to the standardization and upgrading of the agency’s information technology infrastructure.

Strategy 6: Employees are encouraged to increase their knowledge, skills and abilities through training opportunities.

Strategy 7: Efforts to retain employees include recognizing employees for quality performance.

Strategy 8: The agency provides a safe, stimulating, and challenging environment in which to work.

Strategy 9: Monitoring of timely processing of grants, projects, paperwork and documents through the agency is important.

**Objective(s):**

- A. To submit a performance based IT plan by October 1, 2012;
- B. Agency is informed of training resources available by January 1, 2013;
- C. Employees receive at least 3 announcements about training opportunities available to them by June 30, 2013;
- D. The percentage of staff completing at least one professional development program annually will increase by 5% per year, as of December 31, 2013;
- E. To present service awards to all eligible employees by December 31, 2013;
- F. Utilize three employee recognition programs to reward staff nominated and recognized by their peers quarterly. Director will recognize winners of the award formally at ASP Board meetings;
- G. To increase by 5% employees who report that they are able to try new things in their job by June 30, 2013.
- H. To meet all deadlines set in statute, rule or agency policy;

**Performance Measure(s):**

- A. IT Plan is submitted; progress is tracked and reported to Deputy Director quarterly - **Section Responsible: Human Resource/Payroll/ Information Technology**
- B. Agency announcements are sent regarding training funds available by January 1, 2013 - **Sections Responsible: Human Resource/Payroll/ Information Technology or Budget, Finance & Procurement**



C. At least 3 agency announcements are sent as training opportunities become available by June 30, 2013 - **Sections Responsible: Human Resource/Payroll/ Information Technology & Others as applicable**

D. Number and percentage change from previous year of staff completing at least one professional development program - **Sections Responsible: All**

E. Percentage of eligible employees recognized for annual service awards June 30, 2013 -**Section Responsible: Human Resources/Payroll/Information Technology**

F. Three recognition programs award employees annually; Employees who receive rewards are recognized at Board meetings - **Section Responsible: SPOT Recognition Team; Director's Office**

G. Percentage and percentage change compared to 2011 Employee Survey, of employees who agree or strongly agree with the statement, "I have the opportunity to learn and do new things with my job" - **Section Responsible: All & Resources & Public Programs – for report of measurement**

H. Number/percent of deadlines met that are set in statute, rule or agency policy by June 30, 2013 - **Section Responsible: All**

**GOAL 2 VISITORS** – To provide safe, meaningful and unique experiences for our visitors, volunteers and citizens.

Strategy 10: Aided by the information provided in individual park SWOT analyses, agency staff will work to update, prioritize and implement the master list of economically feasible facility upgrades that improve the visitor experience and increase revenue.

Strategy 11: Parks will continue to provide stimulating, educational, interpretive opportunities for the public, which will be marketed using strategies identified in the marketing plan.

Strategy 12: The agency is striving to operate the visitor interface component of the park system with a "cost neutral" budget where visitor revenue exceeds direct visitor costs.

**Objective(s):**

A. The Agency will implement facility upgrades for FY 2013 as per the Capital Plan;

B. To increase the percentage of ranger and volunteer led experiences at parks by 5%;

C. Maintain a positive margin of revenue to costs for the system for FY 2013.

**Performance Measure(s):**

A. Number of parks completing facility upgrades; Number of facility upgrades completed that improved visitor experiences and increased revenue - **Section Responsible: Development & Operations**

B. Number of visitors who have a ranger or volunteer led experience at the parks -**Sections Responsible: Operations Section**

C. Annual analysis of operating costs versus revenue for the whole system - **Section Responsible: Budget, Finance & Procurement & Operations Section**

**GOAL 3 – PLANNING** – To document the agency's progress through planning, analysis and research.

**Strategies:**

Strategy 13: As per the Auditor General Office's recommendations, the agency needs to update current agency strategic plan to focus on financial sustainability.

Strategy 14: The agency needs to update specific section plans.

Strategy 15: Agency will work to improve communication about agency scientific studies, plans and other research documents.

Strategy 16: Agency needs to respond in a timely manner to requests for information.

Strategy 17: The agency meets all planning and research deadlines as required by statutory, rule or agency policy.

Strategy 18: The agency will provide research reports as needed to make informed decisions about natural, cultural and recreational resource management.

**Objective(s):**

- A. The agency will engage in strategic planning activities by June 30, 2013 to identify 1) What is financial sustainability for the system, 2) how to best accomplish ensure financial sustainability for the system long-term. An agency strategic plan will be drafted by June 30, 2013;
- B. Capital Improvement Plan is updated 30 days after the adjournment of the legislature;
- C. SHPO continues to implement the revised State Historic Preservation Plan. Progress will be reported to Deputy Director quarterly, by June 30, 2013;
- D. All scientific and historical data and reports on natural and cultural resources are made available to Agency staff through use of intra-agency server and agency announcements within 1 week of publication;
- E. Research is provided to public and external partners within two weeks of receiving a request for information, unless there are extenuating circumstances, in which case the expected timeline is communicated to the requestor;
- F. All sections document planning and research deadlines required by statute, rule and agency policy – these deadlines are met annually;
- G. Continue to provide accurate, timely and targeted agency reports on program management and analysis for internal and external use as requested;

**Performance Measure(s):**

- A. Updated Agency Strategic Plan, including definition and methods to increase financial sustainability, created and published by December 31, 2013 – **Sections Responsible: All**
- B. Updated Capital Improvement Plan, including annual priorities are submitted to Asst. Director of Operations 30 days after the legislature is adjourned in 2013 - **Section Responsible: Development**
- C. Completion of SHPO task list quarterly, reported to Deputy Director by June 30, 2013 - **Section Responsible: SHPO**
- D. Number of scientific and historical studies posted to intra-agency server by June 30, 2013/ Number of studies and research reports completed - **Section Responsible: Resources & Public Programs; Others as necessary**
- E. Number of requests for agency information provided within 2 weeks/Total number of requests for agency information received - **Sections Responsible: Resources & Public Programs, Budget, Finance & Procurement, Operations, Others as needed**
- F. Each section produces a timeline of annual research and deadlines required by statute, rule or agency policy; Number of studies and research reports required by statute or Agency policy completed by June 30, 2013/Number of studies and research reports required by statute or agency policy by June 30, 2013 - **Section Responsible: Resources & Public Programs; Others as necessary**
- G. Number of reports requested on special topics of interest/Number of reports requested on special topics of interest by June 30, 2013 - **Sections Responsible: Resources & Public Programs, Budget, Finance & Procurement, Operations, Others as needed**

**GOAL 4 PARTNERSHIPS** – To build lasting partnerships to promote local economies, good neighbors, recreation, conservation, tourism and establish sustainable funding for the agency.

**Strategies:**

Strategy 19: The agency has been able to support sustainable park operations with contributions from community partners. Parks currently has 19 financial operating agreements with other State agencies, counties, cities and towns, the Hopi tribe, Arizona State Parks Friends Groups as well as other non-profit organizations. Keeping parks economically viable while transitioning to a self-funded agency will require the maintenance and possibly expansion of these agreements.

Strategy 20: The Agency will expand the use of the contributed talent of volunteers, Site Stewards and Friends Group members to support park operations, programs and to aid in the fulfillment of the Agency vision and mission.

Strategy 21: Other agency programs and sections will seek to increase the number and dollars provided through partnerships and sponsorships as well.

**Objective(s):**

A. Increase the number and scope of collaborative agreements with federal, tribal, state and local governments, non-governmental organizations (NGOs), concessionaires and private sector whose objectives or duties are similar to State;

B. Increase the number of active volunteers and Site Stewards by 5% through continuous recruitment efforts by June 30, 2013;

C. Generate five more partners/sponsorships for the 2013 Historic Preservation Conference.

D. Increase the number of impressions by 5% for Archaeology Month activities through distribution of printed collateral, the agency website, email newsletter, partners, and social media;

E. Increase private sponsorships by \$500 for the preservation and public archaeology education activities and information by June 30, 2013;

F. All applicable CLG funds are obligated by September 30, 2013;

G. Request is made to legislature to provide \$300,000 in funding for the administration of the Main Street program and provide pass through grants to Arizona communities by June 30, 2013.

**Performance Measure(s):**

A. Number of partnership/sponsorship agreements as of July 1, 2012; Number of partnership/sponsorship agreements as of June 30, 2013 - **Section Responsible: All**

B. Percentage increase in number of active volunteers and Site Stewards from FY 2012 to FY 2013 - **Section Responsible: Operations**

C. Five additional partners or sponsors of Historic Preservation Conference - **Section Responsible: SHPO**

D. Comparison of media impressions for Archaeology month in FY 2012 as compared to FY 2013 - **Section Responsible: Marketing & Public Information Office & SHPO**

E. An additional \$500 in sponsorships generated in FY 2013 **Section Responsible: SHPO**

F. All applicable CLG funds are obligated - **Section Responsible: SHPO**

G. Request is made to by June 30, 2013 - **Section Responsible: SHPO & Director's Office**

**GOAL 5 COMMUNICATION** – To actively seek and improve communication with the public, policy makers, our partners, our peers and ourselves.

**Strategies:**

Strategy 22: Consistent with recommendations of the Auditor General's Office, the Agency will focus on enhancing marketing strategies through the creation and implementation of a new marketing plan.

Strategy 23: The Agency will update the public relations plan to more effectively make stories about parks available to citizens of Arizona, visitors and also audiences across the nation and internationally.

Strategy 24: Arizona State Parks will strive to increase the efficiency with which it distributes information internally to ensure that employees have the most updated, accurate information available.

**Objective(s):**

- A. A Marketing Plan will be completed and implemented by June 30, 2013. Progress on plan will be tracked quarterly and reported to Deputy Director;
- B. Increase number of email newsletter subscribers by 5% from FY 2012 to FY 2013;
- C. Increase Facebook followers by 6% from FY 2012 to FY 2013;
- D. Increase number of paid and unpaid media exposures by 10% by June 30, 2013;
- E. Update Public Relations Plan by February 27, 2013. Provide progress update to Director's Office quarterly;
- F. Increase web visits to AZStateParks.com and number of page views by 5% by June 30, 2013;
- G. All critical internal agency information is communicated 1) via agency email announcements, 2) is posted by Park Managers at parks, and 3) is posted to the intra-agency server for employee access within 3 days.

**Performance Measure(s):**

- A. Marketing Plan is approved by Director's Office by June 30, 2013; Progress on Marketing Plan is reported to Deputy Director quarterly by December 31, 2013 - **Section Responsible: Marketing & Public Information Office**
- B. Number of email newsletter subscribers in FY 2012 as compared to FY 2013 - **Section Responsible: Marketing & Public Information Office & Operations**
- C. Number of Facebook followers in FY 2012 as compared to FY 2013 - **Section Responsible: Marketing & Public Information Office**
- D. Number of media exposures from FY 2012 to FY 2013 - **Section Responsible: Marketing & Public Information Office**
- E. Quarterly reports to Director's Office - **Section Responsible: Marketing & Public Information Office**
- F. Number of web site visits in FY 2012 as compared to FY 2013 - **Section Responsible: Marketing & Public Information Office**
- G. Number of agency email announcements sent within 3 days; 2) Total number of agency email announcements - **Section Responsible: All**

**RESOURCE ASSUMPTIONS**

The following assumptions about Resources Requirements shows the agency’s current FY 2014 budget request to OSPB. It assumes a resumption of Executive and Legislative support of the agency’s mission. It includes \$10.0 million for critical infrastructure repairs and revenue generating projects and also \$5.5 million of other capital repair requirements and general agency operations support.

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
<b>FTEs</b>	225	233	235	238	240

General Fund	\$0	\$15,500,000	\$5,500,000	\$5,500,000	\$5,500,000
Other Appropriated Funds	\$12,649,500	\$14,149,500	\$13,000,000	\$13,000,000	\$13,000,000
Non-Appropriated Funds	\$38,643,000	\$23,393,000	\$16,543,000	\$13,193,000	\$11,543,000
Federal Funds	\$3,815,000	\$3,815,000	\$3,815,000	\$3,815,000	\$3,815,000
<b>Total</b>	<b>\$55,107,500</b>	<b>\$56,857,500</b>	<b>\$38,858,000</b>	<b>\$35,508,000</b>	<b>\$33,858,000</b>

**Executive Summary**

The Arizona State Parks Board (ASPB) is responsible for the acquisition, preservation and maintenance of areas of natural features, scenic beauty, and historic and scientific significance, for the pleasure recreation and health of Arizona’s people. The Board oversees 32 parks and natural areas and many statewide programs that serve to fulfill they agency mission and vision.

**Arizona State Parks Mission:**

“Managing and conserving Arizona’s natural, cultural and recreational resources for the benefit of the people, both in our parks and through our partners.”

**Arizona State Parks Vision:**

“Arizona State Parks is indispensable to the economies, communities and environments of Arizona.”

**Arizona State Parks Values:**

The values that guide the and direct behavior of employees include: *Professionalism, Leadership, Preservation, Innovation, Stewardship, Pride, and Partnership*

**Strategic Issues**

The strategic issues identified below, are broad in scope and provide context for the importance of the goals adopted by the Arizona State Parks Board. These issues impact the agency as a whole, and all programs within it.

**STRATEGIC ISSUE 1: COMPETITION FOR LEISURE TIME ACTIVITIES**

**STRATEGIC ISSUE 2: NATIONAL RECESSION RESULTING IN THE NEED TO DEVELOP SUSTAINABLE FUNDING FOR THE AGENCY AFTER UNPRECEDENTED STATE BUDGET CUTS**

**STRATEGIC ISSUE 3: BOARD DIRECTION TO AGENCY – INCREASE NET REVENUES, REDUCE NET COSTS, KEEP PARKS OPEN & OPERATING AND PROTECT NATURAL AND CULTURAL RESOURCES**

**STRATEGIC ISSUE 4: MOVING FORWARD – ENHANCING PUBLIC EXPERIENCES AT PARKS, INTERNAL AND EXTERNAL COMMUNICATION AND EMPHASIS ON PLANNING FOR THE FUTURE**

**Goals**

The Arizona State Parks Board has approved five goals that have directed agency actions and decision-making since October, 2010. The broad categories listed below encompass the Agency's responsibilities and duties to the public, stakeholders, and the State, as well as future generations of Arizonans and visitors to the State. These goals will continue to be implemented. In addition, new goals have been proposed by the Auditor General's Sunset Review (2012) which will provide direction for planning efforts during the next 5 years.

**GOAL 1 RESOURCES – SUSTAINABLE MANAGEMENT OF AGENCY RESOURCES**

**GOAL 2 VISITORS – SAFE, UNIQUE EXPERIENCES**

**GOAL 3 PLANNING – STATEWIDE, SYSTEM, NATURAL AND CULTURAL RESOURCES**

**GOAL 4 PARTNERSHIPS – PROMOTING AND PRESERVING COMMUNITIES, & ESTABLISHING SUSTAINABLE FUNDING**

**GOAL 5 COMMUNICATION – IMPROVEMENT BOTH INTERNALLY AND EXTERNALLY**

**RESOURCES**

The agency experienced \$92 million of budget reductions and fund sweeps in the five-year period FY 2008 – 2012, and no General Funds since FY 2009. The agency had previously received state General Fund support in each year since its founding in 1957. The agency is working to become as self-sufficient as possible, but the FY 2014 budget request reflects a desire for the state to participate in the agency's important mission and goals.

**Agency Summary**

STATE PARKS BOARD

Bryan Martyn, Executive Director  
Phone: (602) 542-7102  
A.R.S. §§ 41-511 et. seq.

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
➤ PARK DEVELOPMENT AND OPERATION	13,231.0	16,423.9	30,470.4	19,687.6
➤ PARTNERSHIPS AND GRANTS	44,788.4	32,422.7	23,213.7	7,126.3
➤ ADMINISTRATION	3,094.3	4,773.2	4,901.9	4,899.9
<b>Agency Total:</b>	<b>61,113.7</b>	<b>53,619.8</b>	<b>58,586.0</b>	<b>31,713.8</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	0.0	0.0	15,500.0	5,500.0
Other Appropriated Funds	11,566.2	12,649.5	12,844.5	12,844.5
Other Non Appropriated Funds	49,547.5	40,970.3	30,241.5	13,369.3
<b>Total Funding</b>	<b>61,113.7</b>	<b>53,619.8</b>	<b>58,586.0</b>	<b>31,713.8</b>
<b>FTE Positions</b>	<b>211.4</b>	<b>224.9</b>	<b>232.9</b>	<b>232.9</b>

**Program Summary**

**PARK DEVELOPMENT AND OPERATION**

Jay Ream, Deputy Director, Park Operations  
 Phone: (602) 542-7103  
 A.R.S. §§ 41-511 et. seq.

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	13,520.0	3,520.0
Other Appropriated Funds	10,307.9	12,275.7	12,470.7	12,470.7
Other Non Appropriated Funds	2,923.1	4,148.2	4,479.7	3,696.9
<b>Total Funding</b>	<b>13,231.0</b>	<b>16,423.9</b>	<b>30,470.4</b>	<b>19,687.6</b>
<b>FTE Positions</b>	<b>168.2</b>	<b>173.7</b>	<b>175.7</b>	<b>175.7</b>

◆ **Goal 1** To provide sustainable management of our natural, cultural, recreational, economic, and human resources.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Percent of Parks Open to the Public	93	96	96	96	96	96
Percent of parks open 7 days per week	57	57	68	68	68	68
Percent of parks managed by Arizona State Parks without financial assistance	43	46	46	46	46	46
Percent of parks operated by Arizona State Parks with partner assistance	29	22	29	29	29	29
Number of Non-Paid Hours Provided by Volunteers and Site Stewards (000)	260	260	260	260	260	260

◆ **Goal 2** To provide safe, meaningful, and unique experiences for our visitors, volunteers, and citizens

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of parks completing facility upgrades	11	17	19	17	17	17

◆ **Goal 3** To build lasting public and private partnerships, to promote local economies, good neighbors, recreation, conservation, tourism, and establish sustainable agency funding.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of private concessionaire agreements	6	6	7	7	7	7



**Program Summary**

**PARTNERSHIPS AND GRANTS**

Kent Ennis, Deputy Director  
 Phone: (602) 542-6920  
 A.R.S. §§ 41-511 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	590.0	590.0
Other Appropriated Funds	750.0	0.0	0.0	0.0
Other Non Appropriated Funds	44,038.4	32,422.7	22,623.7	6,536.3
<b>Total Funding</b>	<b>44,788.4</b>	<b>32,422.7</b>	<b>23,213.7</b>	<b>7,126.3</b>

<b>FTE Positions</b>	<b>20.7</b>	<b>23.7</b>	<b>26.7</b>	<b>26.7</b>
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◆ **Goal 1** To provide sustainable management of our natural, cultural, recreational, economic and human resources.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of SHPO correspondence processed	2,650	2,650	2,453	2,500	2,500	2,500

◆ **Goal 2** To provide safe, meaningful and unique experiences for our visitors, volunteers and citizens

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Attendance at Special Events (in thousands)	26	27	76	76	76	76
Number of Special Events	18	18	46	46	46	46

◆ **Goal 3** To document our progress through planning, analysis and research.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of studies monitoring the health of Kartchner Caverns State Park and other parks	10	14	10	10	10	10

◆ **Goal 4** To build lasting public and private partnerships to promote local economies, good neighbors, recreation, conservation, tourism and establish sustainable funding for the agency.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of new or renewed partnership agreements.	6	11	18	13	13	13

◆ **Goal 5** To effectively communicate with the public, policy makers, our partners, peers, and ourselves.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Public visits to agency web site (000)	523	523	1,726	1,800	1,800	1,800

**Explanation:** Public visits to agency web site

Number of Facebook fans	6,200	6,200	7,050	8,000	8,000	8,000
Number of Twitter followers	5,000	5,000	5,990	6,000	6,000	6,000
Number of media exposures (millions)	396	400	600	650	650	650

**Program Summary**

ADMINISTRATION

Kent Ennis, Deputy Director  
 Phone: (602) 542-6920  
 A.R.S. §§ 41-511 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	1,390.0	1,390.0
Other Appropriated Funds	508.3	373.8	373.8	373.8
Other Non Appropriated Funds	2,586.0	4,399.4	3,138.1	3,136.1
<b>Total Funding</b>	<b>3,094.3</b>	<b>4,773.2</b>	<b>4,901.9</b>	<b>4,899.9</b>
<b>FTE Positions</b>	<b>22.5</b>	<b>27.5</b>	<b>30.5</b>	<b>30.5</b>

◆ **Goal 1** To provide sustainable management of our natural, cultural, recreational, economic and human resources.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of information technology infrastructure upgrades/systems deployed	25	20	40	30	30	30
Percent of law enforcement officers completing AZPOST requirements	100	100	100	100	100	100
Percent of eligible employees recognized through Agency Service Awards	100	100	100	100	100	100
Administration as a percentage of total cost	1.5	1.5	1.5	1.5	1.5	1.5

◆ **Goal 2** To provide safe, meaningful and unique experiences for our visitors, volunteers and citizens.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Maintain a positive margin on overall park system revenues less expenditures (pct of revenues)	17	15	13	15	15	15

# State Personnel Board

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# ARIZONA STATE PERSONNEL BOARD

## FIVE YEAR STRATEGIC PLAN

### EXECUTIVE SUMMARY

The State Personnel Board has an annual budget of \$365,200, two full time employees, and provides covered state employees with an avenue for due process when they wish to appeal a suspension for over 80 working hours, an involuntary demotion, or a termination from their employment for cause. The State Personnel Board also has jurisdiction over the state's whistleblower complaint process.

### MISSION

To provide an efficient and impartial hearing process while carrying out the State Personnel Board's statutory mandate to hear and review disciplinary appeals and whistleblower complaints filed by covered state employees, former state employees, and other individuals referenced in statute.

### DESCRIPTION

The State Personnel Board is responsible for hearing and reviewing, via an administrative hearing process, appeals filed by covered state employees who have been dismissed from covered state service, suspended for more than 80 working hours, or involuntarily demoted resulting from disciplinary action. The State Personnel 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 State Personnel Board. Board members are subsequently provided with case information so they may determine whether the proper level of discipline has been imposed.

#### *Strategic Issue #1*

Continue to provide a fair, impartial, and expeditious hearing process.

Fair and Impartial Hearing Process: Satisfaction survey results indicate stakeholders feel the State Personnel Board provides a fair and impartial hearing process. The State Personnel Board will continue to include this as a strategic issue. It is important that the hearing process remain fair and impartial and that hearing officers display an unbiased position at all times. The surveys also provide space for additional comments. Any comments are reviewed so that weaknesses can be addressed and the level of satisfaction can be increased.

Expeditious Hearing Process: In FY2012, the average number of days from receipt of an appeal or complaint until the State Personnel Board issued a final order decreased from 145 to 123, still over the anticipated 115 days. There were a number of cases that were continued or delayed for various reasons: in 1 case, hearing officer illness; in 5 other cases, Superior Court or federal court cases held up the complaints/appeals process before the State Personnel Board; and in 1 other case, a settlement was being negotiated, fell through, and had to return to the State Personnel Board for hearing delaying this matter for 141 days. If those delays were not taken into consideration, the average number of days from receipt to final State Personnel Board order would have been 114 days, within the projected time frame of 115 days.

The State Personnel Board will continue to encourage the parties to be prepared for the first day of hearing and discourage unnecessary continuances.

#### *Strategic Issue #2*

##### Maintain and improve internet website.

The State Personnel Board will continue to make updates to its website that can be done using in-house staff and equipment with no anticipated additional funding.

#### FUTURE

It is forecast, due to Personnel Reform, in the next five years the number of appeals filed with the State Personnel Board will decrease. There will not be as many covered state employees receiving appealable disciplinary actions, thus there will not be as many appeals filed, but what that impact is going to be is unknown at this time. Whistleblower protection for all state employees, covered and uncovered, is still available through the State Personnel Board and what that impact will be is unknown at this time as well.

## Agency Summary

### STATE PERSONNEL BOARD

Laurie Barcelona, Executive Director

Phone: (602) 542-3888

A.R.S. §§ 41-781, 41-782, 41-783 and 38-531 et seq.

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	351.4	364.5	364.5	364.5
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>351.4</b>	<b>364.5</b>	<b>364.5</b>	<b>364.5</b>
<b>FTE Positions</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

◆ **Goal 1** To provide state agencies and employees/citizens with a fair and efficient administrative hearing process.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of appeals/complaints filed	74	85	82	85	75	75
Hearing days	37	72	39	72	75	75
Average days from receipt of an appeal/complaint until the Board issues a final order	145	115	123	115	115	115
Average cost of an appeal/complaint (dollars)	1,000	1,300	1,300	1,300	1,300	1,300

◆ **Goal 2** To ensure customer/client satisfaction with process.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of cases appealed to Superior Court	2	2	1	2	2	2
Number of cases remanded from court	0	0	2	0	0	0
Percent of customers rating overall hearing process as good to excellent	100	100	100	100	100	100

◆ **Goal 3** To continuously implement changes that will increase effectiveness and internal capacity to deliver services.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of training classes attended by staff	2	1	10	1	1	1

◆ **Goal 4** To strengthen relationships with stakeholders (agencies and constituents).

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of meetings/input from stakeholders	5	5	5	5	5	5
Number of pamphlets distributed (approximate)	85	95	95	85	85	85

# Office of Pest Management

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## **MISSION STATEMENT**

To advocate and promote the safe application of pest control technologies, through education, training and enforcement which results in the maximization of the health and safety of all Arizonans while at the same time ensuring the protection of property and the environment.

## **AGENCY DESCRIPTION**

The Office of Pest Management (OPM) licenses and regulates pest control companies, qualifying parties, and applicators. OPM provides education and training to applicants and licensees. OPM provides education and information to the public regarding pest control activities in non-agricultural settings. In accordance with Laws 2011, Chapter 20 (SB 1194), the Director of the Arizona Department of Agriculture (ADA) appointed the Acting Director of the Office of Pest Management and the OPM moved into the ADA building. Also in accordance with the legislation, the Director of the ADA appointed a task force made up of three structural industry members, three agriculture industry members and two members from the ADA's Advisory Council to consider four topics relating to the regulation of pest management. By December 15, 2012, the task force shall submit findings and recommendations to the Governor, the President of the Senate and Speaker of the House of Representatives regarding its review of current laws concerning structural pest management, organizational configurations for the ADA to oversee the industry, personnel and funding needs, and necessary changes to the laws. The task force has been meeting monthly since August 2011.



## STRATEGIC ISSUES

### **Strategic Issue 1: Protect Arizonans Through Responsible Legislation and Education**

Protect all people in Arizona through reasonable regulation, by having appropriate laws and rules; and providing information to consumers and education, training and appropriate enforcement to the pest management industry.

#### Strategies:

- Complete and submit task force report by December 15, 2012, which includes proposed revised statutory language.
- Develop rule making package for implementation of revised statutory language.

## **Strategic Issue 2: Provide a High Level of Customer Service to Consumers and Pest Management Professionals**

Provide a high level of customer service to consumers and pest management professionals through updated testing and study materials, fair and thorough inspections and investigations, using web resources for on-line continuing education reporting, on-line license renewals, integrated databases and web postings of important structural pest related issues.

### Strategies:

- Engage the Pest Management Advisory Committee (PMAC) in improvements of all aspects of agency interactions with the public – web site, testing, renewals, continuing education approval and on-line interactions to ensure proper communication, improvements and quality service is occurring.
- Revise and improve testing materials and keep the website current with information on issues of importance to the public and industry.
- Decrease the overall time for inquiry and complaint investigations.

Resource Assumptions (agency level)

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
	Appropriation	Budget Request	Budget Request	Estimate	Estimate	Estimate
Full-time-equivalent (FTE)	30	30	30	30	30	30
General Fund	-	-	-	-	-	-
Other Appropriated Funds	1,999,700	1,999,700	1,999,700	1,999,700	1,999,700	1,999,700
Non-Appropriated Funds	-	-	-	-	-	-
Federal Funds	113,500	113,500	113,500	113,500	113,500	113,500
Total Agency Funds	2,113,200	2,113,200	2,113,200	2,113,200	2,113,200	2,113,200

## Agency Summary

### OFFICE OF PEST MANAGEMENT

Jack Peterson, Acting Director  
 Phone: (602) 542-3575  
 A.R.S. §§ 32-2301 et. seq.

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,416.9	1,999.7	1,999.7	1,999.7
Other Non Appropriated Funds	120.7	113.5	113.5	113.5
<b>Total Funding</b>	<b>1,537.6</b>	<b>2,113.2</b>	<b>2,113.2</b>	<b>2,113.2</b>
<b>FTE Positions</b>	<b>40.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>

- ◆ **Goal 1** To provide accurate and efficient service to prospective and licensed businesses, applicators and qualifying parties in obtaining and maintaining licenses.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total of all licensing applications received.	11,239	11,000	11,448	11,000	11,000	11,000
Average calendar days from receipt of completed application to ruling on application for Applicator testing.	2	14	0	7	7	7
Average calendar days from receipt of completed application to ruling on application for Qualifying Party testing.	4	14	1	7	7	7
Qualifying Party License renewals issued.	1,437	1,200	1,451	1,200	1,200	1,200
Total of all licenses issued.	9,925	9,500	9,824	9,500	9,500	9,500
Applicator License renewals issued.	6,602	6,000	6,434	6,000	6,000	6,000
Percentage of licenses processed within overall time frame.	100	100	100	100	100	100
Percentage of Applicator License renewals processed on line of those that did renew.	77	75	77	75	75	75
Percentage of Qualifying Party License renewals processed on line of those that did renew.	79	75	77	75	75	75
Percentage of Business License renewals processed on line of those that did renew.	77	75	75	75	75	75
Business License and Branch Office renewals issued.	1,092	1,000	1,140	1,000	1,000	1,000

- ◆ **Goal 2** To provide continuous quality education to the public and industry members through the Office of Pest Management presented or approved programs.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of contact hours for Initial License Training taken annually from the OPM.	1,332	1,000	1,098	1,000	1,000	1,000
Number of CE contact hours taken annually from the OPM.	2,622	2,500	984	960	960	960
Number of Education and Training staff hours provided to the Public by the OPM (not including ILT and CE training).	38	50	74	50	50	50

◆ **Goal 3** To Monitor pesticide applications and ensure compliance with OPM Laws and Rules.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Total inspections conducted (use and non-use).	3,706	2,000	3,808	3,000	3,000	3,000

◆ **Goal 4** To efficiently and professionally investigate inquiries and complaints to protect and maximize the safety of the general public.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Total Inquiry investigations conducted and completed.	101	80	129	100	100	100
Total Complaint investigations conducted and completed.	82	80	70	80	80	80
Number of Consent agreements reached/orders finalized.	76	80	95	90	90	90
Number of formal hearings held.	1	1	0	1	1	1
Percent of investigations resulting in disciplinary action.	93.9	80	87	85	85	85
Number of licenses Revoked.	6	5	0	1	1	1
Total consumer and agency generated complaints.	76	80	55	50	50	50
Average calendar days from receipt of complaint to resolution	212	200	214	180	180	180

# Board of Pharmacy

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# **ARIZONA STATE BOARD of PHARMACY**

## **FIVE YEAR PLAN**

### **2014-2019**

#### **I. Mission Statement:**

**The Arizona State Board of Pharmacy protects the health, safety and welfare of the citizens of Arizona by regulating the practice of pharmacy and the distribution, sale and storage of prescription medications and devices as well as non-prescription medications.**

**The Board accomplishes its mission by:**

- **Issuing licenses to pharmacists, pharmacy interns and pharmacy technicians,**
- **Issuing permits to pharmacies, manufacturers, wholesalers and distributors,**
- **Conducting compliance inspections of permitted facilities, and**
- **Investigating complaints & adjudicating violations of applicable state and federal laws and rules.**
- **Promulgating and reviewing state rules and regulations.**

## **Agency Goals & Strategies:**

1. To ensure that licenses and permits are only initially granted to and sub sequentially renewed for US citizens or resident aliens lawfully present in the United States who are competent applicants with high standards of professional and ethical conduct.
2. To maintain a comprehensive electronic controlled substance monitoring program (CSPMP) which is designed to reduce controlled substance prescription drug diversion and abuse.
3. Obtain specialized training for at least one compliance officer to conduct high-risk sterile process inspections and perhaps a part time rule writer and or lobbyist for statute changes may be necessary and prudent to protect the health and safety of Arizona consumers.

### **GOAL 1**

- Staff will inspect every permitted facility at least biennially for compliance with Board rules and statutes.
- The number of consumer complaints will be reduced by educating and providing best practice s - communicated by Board professional staff during the annual inspection process.
- All Consumer Complaints are investigated within 120 days of receipt as per Board policy.
- Remove or restrict activities of incompetent, unethical or impaired practitioners by maintaining disciplinary actions per 100 practitioners in the range of 0.15.
- Monitor complaints per 100 practitioners to ensure that it is less than or equal to 0.5.
- Perform 4,000 or more facility inspections annually.
- Maintain miles driven by compliance staff over 100,000 miles annually.
- Maintain customer satisfaction surveys at or above 7.5 out of 8.0.

### **GOAL 2**

- Register 95% of practitioners in Arizona in the CSPMP and assist them to actively utilize the system to review Page 991



controlled substance prescription history before prescribing controlled substances to their patients.

- Register 100% of dispensers in the CSPMP and assist them to actively utilize the system to review controlled substance prescription history before dispensing a controlled substance to a patient.
- Incorporate changes in the CSPMP so that practitioners and dispenser no longer feel that it takes too much time or is too complicated and paper intensive to register and/or obtain access to the CSPMP. (see list of enhancements attached)
- Provide to the CSPMP so that practitioners and dispensers are able to obtain the reports they need by securely accessing the system online without requesting assistance from the CSPMP staff. (see list of enhancements attached)

## 5 YEAR/PLAN

### 2014

**Strategic Issue** – The Board staff is finally at the level it was before the hiring freeze, we should be able to accomplish Goal 1 because of this.

We have obtained funds (\$50K) from the Arizona Criminal Justice Commission (ACJC) for a part-time employee to produce required reports in a more timely fashion. Also, we are in the process of obtaining funds in the range of \$200K from the Arizona Department of Health Services (AzDHS) to provide enhancements that will streamline the access and reporting in CSPMP. The Board also has a strategic partnership with the National Association of Boards of Pharmacy (NABP) that provides assistance with interstate collecting, reporting and sharing of CSPMP data.

As a result of the recent incidents (2012) at New England Compounding Pharmacy in Massachusetts, (see attached) which resulted in more than 20 deaths and 1400 hospitalizations, specialized training for at least one compliance officer to conduct high risk sterile process inspections and perhaps a part time rule writer and or lobbyist for statute changes may be necessary and prudent to protect the health and safety of Arizona consumers.

## 5 YEAR/PLAN

### 2015

**Strategic Issue** – A thorough review of the number of licensees and permittees will be done to determine optimal staffing. Staff will be adjusted according to the results obtained from the review. This is especially important because at least 3 senior personnel may be retiring this year or next.

We will attempt to continue the funds from ACJC and AzDHS and search out new sources of funds. The funds from AzDHS may be reduced to \$100K. Assistance from NABP will continue.

As a result of the recent incidents (2012) at New England Compounding Pharmacy in Massachusetts, (see attached) which resulted in more than 20 deaths and 1400 hospitalizations, specialized training for at least one compliance officer to conduct high risk sterile process inspections and perhaps a part time rule writer and or lobbyist for statute changes may be necessary and prudent to protect the health and safety of Arizona consumers.

### 2016

**Strategic Issue** – A thorough review of the number of licensees and permittees will be done to determine optimal staffing. Staff will be adjusted according to the results obtained from the review. This is especially important because at least 3 senior personnel may be retiring this year.

We will attempt to continue receiving funds from ACJC and AzDHS and search out new sources of funds. Assistance from NABP will continue.

As a result of the recent incidents (2012) at New England Compounding Pharmacy in Massachusetts, (see attached) which resulted in more than 20 deaths and 1400 hospitalizations, specialized training for at least one compliance officer to conduct high risk sterile process inspections and perhaps a part time rule writer and or lobbyist for statute changes may be necessary and prudent to protect the health and safety of Arizona consumers.

## 5 YEAR/PLAN

### 2017

**Strategic Issue** – A thorough review of the number of licensees and permittees will be done to determine optimal staffing. Staff will be adjusted according to the results obtained from the review. A strategic planning session with the board will be held. We will attempt to obtain an outside facilitator to enhance the strategic planning experience and the results.

We will attempt to continue receiving funds from ACJC and AzDHS and search out new sources of funds. Assistance from NABP will continue.

As a result of the recent incidents (2012) at New England Compounding Pharmacy in Massachusetts, (see attached) which resulted in more than 20 deaths and 1400 hospitalizations, specialized training for at least one compliance officer to conduct high risk sterile process inspections and perhaps a part time rule writer and or lobbyist for statute changes may be necessary and prudent to protect the health and safety of Arizona consumers.

### 2018

**Strategic Issue** - A thorough review of the number of licensees and permittees will be done to determine optimal staffing. Staff will be adjusted according to the results obtained from the review. Implementation of the accepted recommendations from the strategic planning session will be reviewed and either accepted or rejected. Items accepted will be incorporated into the boards operations.

We will attempt to continue receiving funds from ACJC and AzDHS and search out new sources of funds. Assistance from NABP will continue.

As a result of the recent incidents (2012) at New England Compounding Pharmacy in Massachusetts, (see attached) which resulted in more than 20 deaths and 1400 hospitalizations, specialized training for at least one compliance officer to conduct high risk sterile process inspections and perhaps a part time rule writer and or lobbyist for statute changes may be necessary and prudent to protect the health and safety of Arizona consumers.

## 5 YEAR/PLAN

### 2019

Strategic Issue - A thorough review of the number of licensees and permittees will be done to determine optimal staffing. Staff will be adjusted according to the results obtained from the review. Implementation of the accepted recommendations from the strategic planning session will be reviewed and either accepted or rejected. Items accepted will be incorporated into the boards operations.

We will attempt to continue receiving funds from ACJC and AzDHS and search out new sources of funds. Assistance from NABP will continue.

As a result of the recent incidents (2012) at New England Compounding Pharmacy in Massachusetts, (see attached) which resulted in more than 20 deaths and 1400 hospitalizations, specialized training for at least one compliance officer to conduct high risk sterile process inspections and perhaps a part time rule writer and or lobbyist for statute changes may be necessary and prudent to protect the health and safety of Arizona consumers.

#### Resource Assumptions – AGENCY LEVEL

Resource	FY 2013 Appropriation	FY2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
FTE Positions	18	19	19	19	19	20
General Fund	0	0	0	0	0	0
Other Appropriated Funds	2052 -PMA Fund \$1,921,900.00	2052 - PMA Fund \$2,073,600.00	2052 – PMA Fund \$2,009,300.00	2052 – PMA Fund \$2,230,000.00	2052 – PMA fund \$2,430,000.00	2052 – PMA Fund \$2,600,00.00
Non- Appropriated Funds	\$284,325.00 DHS ISA	\$135,000.00 DHS ISA	\$135,000.00 DHS ISA	\$135,000.00 DHS ISA	\$135,000.00 DHS ISA	0
Federal Funds	\$2,000.00 CPSC	\$2,000.0 CPSC	\$2,000.00 CPSC	\$2,000.00 CPSC	\$2,000.00 CPSC	\$2,000.00 CPSC
Total Agency Funds	\$2,208,225.00	\$2,210,600.00	\$2,146,300.00	\$2,367,000.00	\$2,567,000.00	\$2,602,000.00

## Agency Summary

### BOARD OF PHARMACY

Hal Wand, Executive Director  
 Phone: (602) 771-2740  
 A.R.S. §§ 32-1902 and 32-1904 et seq

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,886.1	1,921.9	2,073.6	2,009.3
Other Non Appropriated Funds	451.0	1,532.7	1,532.7	1,532.7
<b>Total Funding</b>	<b>2,337.1</b>	<b>3,454.6</b>	<b>3,606.3</b>	<b>3,542.0</b>
<b>FTE Positions</b>	<b>17.0</b>	<b>17.0</b>	<b>17.0</b>	<b>17.0</b>

- ◆ **Goal 1** To ensure that licenses and permits are only granted to US citizens who are competent applicants with high standards of professional and ethical conduct.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Disciplinary actions/100 Registered Pharmacists & Technicians	0.13	0.15	0.16	0.15	0.16	0.16
Complaints per 100 practitioners ( Pharmacists & Technicians )	0.52	0.6	0.67	0.8	0.8	0.8
Continuing education seminars conducted for pharmacists	7	5	3	5	5	5
Quarterly writing and distributing newsletters to all interested parties by listserve. Subscription can be added or deleted online. Disciplinary actions required to be published by statute are also contained in each newsletter.	4	4	4	4	4	4
Board Meetings	6	6	7	6	6	6
Miles Driven-Inspections Pharmacies-Inspections	51,252	75,000	106,977	110,000	110,000	110,000
	654	750	894	1050	1100	1100

**Explanation:** reduced staff for 1/2 of the fiscal year

Compressed medical gas suppliers & distributors-Inspections	1	5	6	5	5	5
Manufacturer-Inspections	5	5	13	10	10	10
Non-Prescription Drug Permit-Inspections	2,290	2,500	3046	32000	32000	32000
Wholesaler-Inspections	15	100	33	50	50	50
Re-inspections	10	10	10	10	12	12
Total number of inspections conducted	3,081	3,500	4002	4000	4000	4000

- ◆ **Goal 2** To maintain a comprehensive electronic Controlled Substance Prescription Monitoring Program.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Use prescription monitoring program fund to maintain and improve prescription monitoring program approved by legislature in 2007.	231,536	325,000	236,100	300,000	300,000	320,000

**Explanation:** Maintain and Improve the prescription monitoring program

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Length of time in hours required to provide reports pertaining to suspect activity to requestor (practitioner, law enforcement agency).	520	600	560	600	620	650
About how many licensed PRESCRIBERS were there?	23,266	24,400	24,219	25,400	24,950	25,700
About how many licensed/permitted DISPENSERS were there?	5,358	6,000	10,064	10,250	10,500	10,750
for PRESCRIBERS: How many solicited reports were produced?	508,131	639,780	775,000	800,000	825,000	850,000
For PRESCRIBERS: How many unsolicited reports were produced?	1460	1,500	1581	1,625	1,675	1,725
for DISPENSERS: How many solicited reports were produced?	42,418	50,750	63,484	65,500	67,250	69,300
for DISPENSERS: How many unsolicited reports were produced?	0	1	0	100	100	100
For Law Enforcement INVESTIGATIONS OR COMPLAINTS: How many solicited reports were produced?	1,206	1,500	1,012	1,150	1,300	1,500
For Law Enforcement INVESTIGATIONS OR COMPLAINTS: How many unsolicited reports were produced?	13	20	374	450	600	750
For Professional Licensing Board INVESTIGATION OR COMPLAINTS: How many solicited reports were produced?	251	350	374	400	450	525
For Professional Licensing Board INVESTIGATIONS OR COMPLAINTS: How many unsolicited reports were produced?	0	1	19	25	30	45

# Board of Physical Therapy Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# Arizona State Board of Physical Therapy

## Five Year Strategic Plan

### **Mission Statement:**

The mission of the Arizona State Board of Physical Therapy is to protect the public from the incompetent, unprofessional, and unlawful practice of physical therapy. The Arizona Physical Therapy Practice Act establishes the standards for the practice of physical therapy, continuing competence and testing, and defines the scope and limitations of practice. The Board licenses and certifies qualified applicants as physical therapists and physical therapist assistants; and receives, investigates and adjudicates complaints against licensees and certificate holders.

### **Agency Description:**

The State Board of Physical Therapy licenses qualified physical therapists (PT's), certifies qualified physical therapist assistants (PTA's), registers physical therapy business entities, investigates and adjudicates complaints, assesses continuing competence, and enforces the standards of practice for the physical therapy profession. The Board regulates approximately 4,800 professionals or entities licensed, certified, or registered to practice or provide physical therapy services in the State. As of September 2011, the Board regulates business entities that provide physical therapy services. The Board serves all citizens of and visitors to the state who receive physical therapy care by an Arizona licensed physical therapist or a certified physical therapist assistant.

### **Strategic Issues:**

1. Establish the mechanisms for assessing continuing professional competence of physical therapists to engage in the practice of physical therapy and the competence of physical therapist assistants to work in the field of physical therapy.
  - a. The Board of physical therapy currently requires licensed physical therapist to complete 20 contact hours of continuing competence activities during each compliance period. The compliance period is two years in length, beginning September 1 of an even numbered year and ending August 31 of the next even numbered year.
  - b. Certified physical therapist assistants currently have no minimum continuing competence activity requirement.
2. Regulate the practice of physical therapy by interpreting and enforcing this chapter.
  - a. The Board received between 50 and 70 complaints per year.
  - b. The Board currently maintains a .5 FTE to investigate all complaints received against physical therapists, physical therapist assistants, and business entities.
  - c. The Board has seen an increase in the number of complaints filed beginning in 2009 as well as an increase in the complexity of the cases.



3. Evaluate the qualifications of applicants for licensure and certification; and provide for national examinations for physical therapists and physical therapist assistants and adopt passing scores for these examinations.
  - a. The Board has seen an increase in the number of application filed in any calendar year from 500 in 2009 to 600+ in 2011. In addition, the number of physical therapists renewing active licenses increased by over 500 from 2008 to 2012. Physical therapist assistant renewals increased by over 400. The space available in the agency office to house the increased number of applications has been reached maximum capacity.
  - b. The national examinations for physical therapist and physical therapist assistants have been changed from tests given on a continuous basis on almost every day of the year to tests provided only four times each per year.

**Strategies:**

1. The Board is currently working with the Arizona Physical Therapy Association to update current requirements for continuing competence activities for licensed physical therapists and certified physical therapist assistants.
  - a. The taskforce working on the matter expects to approach the Board in 2013 with recommended changes to include, a minimum requirement of 10 hours of continuing competence activities.
  - b. The taskforce also plans the Board require completion of an Arizona Jurisprudence exercise hosted on the agency website as a mandatory condition for completing the renewal process.
  - c. The earliest implementation of any changes to continuing competence activities requirements would be in the 2016 renewal cycle.
2. The Board has evaluated its current investigative resources and identified a lack of time and manpower as the greatest contributor to recent back logs in adjudicating complaints. Therefore, the Board is seeking approval for a FTE and budgetary increases to employ a full time investigator beginning in FY 2014. In addition, the Board is completing improvements to its complaint and compliance tracking portions of its license and certificate holder database to allow for historical and real-time tracking of complaint and disciplinary information.
3. The Board physical therapy is currently addressing the need for improved processes for the increased number of applicants and the change in their availability of national tests.
  - a. On March 15, 2012, changes in the timing of allowing applicants to attempt passage of their national examinations were signed into law. A.R.S. §32-2024 was modified to allow applicants to test for their national examinations before completing their full educational programs, which allows increased options in taking one or more of the four tests allowed per year.
  - b. The Board is tracking applicants using the early testing option to ensure unforeseen consequences do not out way the benefit of increased testing options.
  - c. The Board has implemented a new preapproval process for all applicants. The process allows most applicants to receive approve for licensure or certification

once the application is complete with the exception of test scores and receipt of transcripts. The process allows licensure or certification to be issued upon receipt of these final applicant requirements.

**Resource Assumptions:**

Resource Assumptions (agency level) Board of Physical Therapy						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
FTE	3.8	4.3	4.3	4.3	4.3	4.3
General Fund	0	0	0	0	0	0
Other Appropriated Fund (PTA 2053)	\$369,900.00	\$419,600.00	\$398,900.00	\$407,429.00	\$419,652 .00	\$432,241.0 0
Non-Appropriated Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Federal Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Agency Funds	\$369,900.00	\$419,600.00	\$398,900.00	\$407,429.00	\$419,652 .00	\$432,241.0 0

## Agency Summary

### BOARD OF PHYSICAL THERAPY EXAMINERS

Charles D. Brown, Executive Director  
 Phone: (602) 274-1088  
 A.R.S. § 32-2001

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	346.8	365.9	394.9	394.9
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>346.8</b>	<b>365.9</b>	<b>394.9</b>	<b>394.9</b>
<b>FTE Positions</b>	<b>3.8</b>	<b>3.8</b>	<b>4.3</b>	<b>4.3</b>

◆ **Goal 1** To efficiently process licensure and certification applications.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of physical therapist licenses or physical therapist assistant certificates issued within the required time frames to eligible applicants.	100	100	99.9	100	100	100
<b>Explanation:</b> Agency complies with A.A.C. R4-24-209, Time Frames for applications.						
Number of new licenses or certificates issued	348	330	420	330	360	360
Average time, in calendar days, between receipt of completed application to issuance or denial of licensure or certification.	18	17	8.1	17	12	12
<b>Explanation:</b> Agency tracks number of days in substantive review time frame for application (number of days from completion until Board action).						
Number of licenses/certificates denied.	1	2	0	2	2	2
<b>Explanation:</b> Agency tracks and reports number of applications denied.						
Number of licenses/certificates renewed	4290	0	640	4200	700	4300
<b>Explanation:</b> FY 2012 estimate reflects that renewals will not begin until FY 2013 begins.						
Number of applications received	527	520	699	520	520	520
Percent of Board meetings conducted within appropriate time frames	100	100	100	100	100	100

**Explanation:** Agency schedules and conducts Board meetings in order to comply with administrative rules for substantive review for applications, as well as for internal policies addressing complaint initial reviews and hearings.

◆ **Goal 2** To investigate and adjudicate complaints in a timely manner.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of complaints investigated	100	100	100	100	100	100
<b>Explanation:</b> Percent of complaints over which the Board has jurisdiction investigated.						
Percent of unlawful practice investigations over which the Board has jurisdiction investigated.	100	100	100	100	100	100

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Total number of complaints received	69	60	53	70	70	70
<b>Explanation:</b> Total number of complaints received.						
Total number of disciplinary actions issued	25	30	29	30	30	30
<b>Explanation:</b> Total number of disciplinary actions issued.						
Average number of days to adjudicate complaints received in a given fiscal year. This number reflects cases completed in the reported fiscal year.	169	150	259	250	180	180
<b>Explanation:</b> Average number of days to adjudicate complaints received in a given fiscal year.						
Number of licenses suspended/revoked/voluntarily surrendered	5	5	12	5	5	5
<b>Explanation:</b> Number of licenses suspended/revoked/voluntarily revoked						
Total number of unlawful practice investigations received by the Board for investigation	8	10	4	10	10	10
<b>Explanation:</b> Total number of unlawful practice investigations received by the Board for investigation						

◆ **Goal 3** To provide accurate information, with the highest quality customer service, to all requests from citizens, licensees, health care organizations, and public agencies for public records information and license verifications.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of requests for license verifications processed and issued within 15 days of receipt	99.7	100	100	100	100	100
<b>Explanation:</b> Board staff prepares licensure verifications a designated day every week to minimize the wait time for the requestor.						
Number of formal verifications of licensure prepared and issued.	627	500	525	500	500	500
<b>Explanation:</b> Board staff tracks and reports the number of requests received.						
Number of written requests for public records received.	82	75	60	75	75	75
<b>Explanation:</b> Agency tracks and reports the number of public records requests filed.						
Average number of business days to process written requests for public records	1.9	7	2.2	7	7	7
<b>Explanation:</b> Agency tracks and reports the number of days required to process requests for copies of the public record.						
To achieve an average score of 6.0 on a scale of 0 to 8.0 on the agency's customer satisfaction survey.	7.36	7.0	7.1	7.0	7	7
<b>Explanation:</b> Customer satisfaction survey.						

◆ **Goal 4** To assess the continuing competence (continuing education) of physical therapist licensees and physical therapist assistant certificate holders selected through random audit.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of physical therapist licensees whose continuing competence records were	10	0	0	10	0	10

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
successfully audited by the Board for compliance.						
<b>Explanation:</b> Percent of physical therapist licensees whose continuing competence records were successfully audited by the Board for compliance.						
Percent of continuing competence audit notices sent within 60 calendar days following the license renewal deadline.	100	NA	NA	100	NA	100
<b>Explanation:</b> Percent of continuing competence audit notices sent within 60 calendar days following the license renewal deadline						

# Arizona Pioneers' Home

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



## **THE ARIZONA PIONEERS' HOME**

The Arizona Pioneers' Home is a continuing care retirement home operated and funded by the State of Arizona. The Home provides care and services to residents living independently, as well as to those requiring personal, assisted living, intermediate and skilled care; qualifications for admission are defined in state statute.

The Arizona Pioneers' Home began as the brainchild of three prominent Prescott citizens, A.J. Doran, Frank M. Murphy and Johnny Duke, to repay the faithful and longtime Arizona residents who helped pioneer and build the state. A.J. Doran sponsored a bill to create the Pioneers' Home in Arizona's Territorial Legislature in 1907. The initial bill failed, but it gained the full support of both houses two years later, and was signed into law by then Territorial Governor Joseph H. Kibbey, on March 11, 1909.

Frank M. Murphy donated four and a half acres in southwest Prescott as the building site, and later T.G. Norris donated adjacent land to the North. The original red brick three story building with porticos was designed by local Prescott architect, W.S. Elliot and built for \$25,000. The Pioneers' Home opened its doors on February 1, 1911, situated atop a granite promontory overlooking the City of Prescott, Arizona. A.J. Doran was named the first Superintendent and served from February, 1911 to August, 1912.

Initially the home was built to house 40 men, but in 1916, pursuant to the benevolent donation from W.S. Parsons, an addition of a women's wing was completed to provide for 20 women. Later, in 1929, the home was again expanded to include Arizona's Hospital for Disabled Miners.

Today the Home can care for up to 150 residents, and operates via appropriations of approximately \$6 million annually through state land trusts, a miners' hospital fund, state charitable funds and the general fund. The current population of residents includes individuals from throughout the State of Arizona. Residents of the Pioneers' Home pay a portion of their care based on their income, which is deposited back into the general fund.

### **MISSION STATEMENT**

To provide a home for Arizona pioneers and disabled miners that delivers the optimal physical, emotional and spiritual care in a homelike and compassionate environment. Quality of care is provided in a professional manner, protecting dignity and honoring the personal directives of each resident in life as well as death while considering the uniqueness of each individual.

## **STRATEGIC PLAN**

### **TO INCREASE THE VISIBILITY AND AWARENESS OF THE ARIZONA PIONEERS' HOME OUTSIDE YAVAPAI COUNTY**

The Arizona Pioneers' Home will continue to provide information and awareness of the Home primarily outside the Yavapai County area. This will be accomplished by various means in an attempt to make potential residents aware of the Home's existence and benefits both to Pioneers and Miners.

### **TO ENHANCE THE INTERNAL AND EXTERNAL RESTORATION AND DÉCOR OF THE HOME TO MAINTAIN ITS' HISTORIC PRESENCE AND MAINTAIN STRUCTURAL INTEGRITY**

Much of the Arizona Pioneers' Home is now over 100 years old. The Home is on the National Register of Historic Places. The agency is working diligently to maintain and improve the building to extend its' usable life as well as maintaining a proper home for its' residents. To this end the agency has and continues to seek improvements to the Home as well as the Pioneers' Cemetery for which the agency is responsible. Much of the Home's second floor flooring has been replaced with new and brighter flooring. This has remedied issues on the second and first floor in which flooring was decomposing creating a poor environment as well as increasing the [potential for falls. This will improve vision for residents with compromised sight in an effort to reduce the potential for falls. The new flooring has also enhanced the esthetics of the Home while maintaining the Homes' use of wood grain in much of the Home. The agency will continue to attempt to complete replacement of all flooring throughout the Home to achieve the same benefits.

Other projects which will be accomplished soon include repair and replacement of three concrete and metal support columns which are deteriorating. This will enhance safety and increase the useful life of the Home. The major portion of the current parking areas will be improved and repaved as it is also in a state of disrepair and due to water and ice accumulation has caused resident falls in the recent past. The decomposition itself has created significant cracks which could also lead to resident falls. Lastly, the agency is planning on improvement to the Women's Ward bath. The current bath is in a near unusable state creating risk to the residents. This tub area will be redone to include a walk in shower. This will create a safer more comfortable environment for both nursing aides as well as the residents.

The Arizona Pioneers' Home has employed a full-time grounds keeper to improve the exterior esthetics as well as improve the fire safe boundary due to overgrowth of natural vegetation. Additionally the overgrowth of many of the trees created a potential danger to staff, residents, visitors and vehicles due to falling limbs which occur in high winds and heavy snows.



Improvements in upkeep and construction also continue and will be on-going for sometime at the Pioneers' Cemetery. An outside ground keeping company has been hired to maintain the grounds. This has provided significantly increased benefit to the cemetery appearance in a cost effective manner. This agency also desires to complete a columbarium project for ash burials while improving financial income in order to maintain the cemetery. The agency will be investigating runoff and erosion issues that occur at the Pioneers' Cemetery.

**TO PROVIDE CARE AND SERVICES THAT MEETS OR EXCEEDS THE HIGHEST STANDARDS AND BEST PRACTICES FOR LONG-TERM CARE**

The Arizona Pioneers' Home residents report a NEAR 100% positive response in regards to the efforts of all departments within the Arizona Pioneers' Home. The Home receives numerous letters and verbal expressions of gratitude for the level of care provided. With an average age of residents at 86 years of age it is the Home's aim to maintain this level of care through the best hiring and training of employees in all departments. The Home is well known for its' cleanliness and quality of nursing care.

**TO MAINTAIN EFFICIENCIES OF SERVICES PROVIDED IN THE MOST COST CONSCIOUS MANNER**

The Arizona Pioneers' Home will continue to provide its' services with high regard to cost and efficiency. Health care requires a high degree of hands on interventions requiring trained, licensed and efficient staff. The Home will continue to enhance efficiency throughout all areas in regard to staffing levels while providing adequate staffing levels to provide the necessary services required by the residents of the Home in a quality manner.

**TO REPLACE EXISTING HEATING, COOLING AND LIGHTING FIXTURES WITH MORE ENERGY EFFICIENT UNITS WHILE MAINTAINING THE USEFUL LIFE OF THE HOME**

The boilers which provide heating and hot water to the Home are several years past their normal useful life. The agency is seeking funds to replace these boilers with new boilers of similar type that are more energy efficient. Replacement is also necessary as failure of one or both of the boilers could make the Home uninhabitable at least for a period of time. Replacement will extend the useful life of the Home and provide a more energy efficient means of heating and hot water with anticipated savings.

The current evaporative coolers are past their useful life and are the only means of providing cooling for residents, visitors and staff. The coolers are not very efficient in terms of cooling the Home and are less efficient than newer models. The agency is investigating funding to replace these evaporative coolers to enhance the environment and reduce energy consumption.

Replacement of lighting fixtures from a T-12 to T-8 has been ongoing for over a year and is nearing completion. While improving lighting of the Home this has also reduced energy consumption in this area.

### RESOURCE ASSUMPTIONS

PIONEERS' HOME RESOURCE ASSUMPTIONS	FY 2013 APPROPRIATION	FY 2104 BUDGET REQUEST	FY 2015 BUDGET REQUEST	FY 2016 BUDGET REQUEST	FY 2017 BUDGET REQUEST	FY 2018 BUDGET REQUEST
FULL TIME EQUIVALENT (FTE) POSITIONS	106.3	106.3	106.3	106.3	106.3	106.3
GENERAL FUND*	1604.8	1604.8	1604.8	1604.8	1604.8	1604.8
OTHER APPROPRIATED FUNDS*	4600.7	4626.7	4626.7	4600.7	4600.7	4600.7
NON-APPROPRIATED FUNDS*	15.3	15.6	16.0	16.5	17.1	17.1
FEDERAL FUNDS*	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL AGENCY FUNDS*	6220.8	6221.1	6221.5	6222.0	6222.6	6222.6

\*In thousands of dollars

### Agency Summary

#### ARIZONA PIONEERS' HOME

Ted Ihrman RN, Superintendent  
 Phone: (928) 445-2181  
 ARS § 41-921

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,635.1	1,604.8	1,681.7	1,681.1
Other Appropriated Funds	4,332.8	4,600.7	4,600.7	4,600.7
Other Non Appropriated Funds	18.0	15.3	15.3	15.3
<b>Total Funding</b>	<b>5,985.9</b>	<b>6,220.8</b>	<b>6,297.7</b>	<b>6,297.1</b>
<b>FTE Positions</b>	<b>115.8</b>	<b>106.3</b>	<b>106.3</b>	<b>106.3</b>

◆ **Goal 1** To increase the visibility and awareness of the Arizona Pioneers' Home outside Yavapai County.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
No decrease of daily census.	-2	5	0	5	5	5

**Explanation:** To maintain current census levels.

Number of candidates on the inquiry/interest list.	72	80	80	80	80	80
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Number of residents from counties other than Yavapai and Maricopa.	17	18	30	20	25	30
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**Explanation:** Increase number of inquiries from outside Maricopa and Yavapai counties.

◆ **Goal 2** To enhance the internal and external restoration and décor of the Home to maintain its historic presence and preservation and maintain structural integrity.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Maintain internal and external integrity and décor of the Home with respect to historical significance.	1	1	1	1	1	1

**Explanation:** Complete energy performance and savings contract.

Complete resurfacing of asphalt parking areas and drives.	0	1	0	0	0	0
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◆ **Goal 3** To provide care and services that meets or exceeds the highest standards and best practices for long-term care.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of citations from inspections	0	6	4	4	4	4

Percent of deficiencies will be resolved in 60 days	na	100	100	100	100	100
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Residents rating of good or excellent (percent)	99	98	99	98	98	98
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◆ **Goal 4** To maintain the efficiencies of services provided in the most cost conscious manner.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average census	105	110	105	108	108	108

Daily cost per resident (in dollars)	152.3	154.3	156.73	158.5	160.5	163
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- ◆ **Goal 5** To replace existing heating, cooling and lighting fixtures with more energy efficient units while maintaining useful life of the Home.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Completion of conversion of T12-T8 lighting fixtures	0	0	1	1	1	1
Replace existing boilers with new energy efficient models	0	0	1	1	1	1
Replacement of existing evaporative coolers	0	0	1	1	1	1

# Board of Podiatry Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Arizona State Board of Podiatry Examiners

### Mission

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

### Agency Description

The Board licenses and regulates doctors of podiatric medicine who specialize in the diagnosis and treatment of the foot, ankle, and lower leg. The Board evaluates the professional competency of podiatrists seeking to be licensed in the State of Arizona. Further, the Board promotes continued competency and fitness by investigating complaints made against practitioners, holding hearings, monitoring the activities of its licensees, and enforcing the standards of practice for the podiatric profession as set forth by law.

### Strategic Issues

- 1) Continue to improve computer technology in an effort to enhance service to licensees and the public.
- 2) Continue to improve complaint investigation and adjudication processes to maintain timely responses to concerns regarding licensees' fitness to practice.

### Resource Assumptions

	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full Time Equivalent (FTE) Positions	1.0	1.0	1.0	1.0	1.0	1.0
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Other Appropriated Funds	\$143,000	\$143,000	\$143,000	\$143,000	\$143,000	\$143,000
Total Funds	\$143,000	\$143,000	\$143,000	\$143,000	\$143,000	\$143,000

### Agency Summary

#### BOARD OF PODIATRY EXAMINERS

Sarah Penttinen, Executive Director  
 Phone: (602) 542-3095  
 A.R.S. § 32-801

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	127.6	143.0	143.0	143.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>127.6</b>	<b>143.0</b>	<b>143.0</b>	<b>143.0</b>
<b>FTE Positions</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

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

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
New License Applications Received	15	20	N/A	20	N/A	N/A
New licenses issued	19	20	N/A	20	N/A	N/A

**Explanation:** Applicants have one (1) year to activate the license following notification they were successful in passing the examination(s).

Renewal Applications Received	351	375	N/A	375	N/A	N/A
Number of Initial Drug dispensing registrations issued	16	15	N/A	15	N/A	N/A
Number of drug dispensing registrations renewed	195	225	N/A	225	N/A	N/A
Number of licensees	381	385	N/A	385	N/A	N/A
Average time to process an application for drug dispensing (in days)	2	2	N/A	2	N/A	N/A
Average time to process an application for examination (in days)	19	20	N/A	20	N/A	N/A
Average time to process a license renewal (in days)	20	15	N/A	15	N/A	N/A

◆ **Goal 2** To investigate complaints and enforce standards of practice in a timely manner.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of complaints received	37	45	N/A	45	N/A	N/A
Number of investigations concluded	21	40	N/A	40	N/A	N/A
Average number of days from receipt of complaint to final resolution	270	180	N/A	180	N/A	N/A
Disciplinary actions taken	4	5	N/A	5	N/A	N/A
Letters of Concern Issued	1	5	N/A	5	N/A	N/A

◆ **Goal 3** To ensure agency policies and procedures are effective and efficient (including testing, renewal, initial licensing, and customer satisfaction).

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average number of days to respond to e-mails, phone calls and internet requests	1	1	N/A	1	N/A	N/A

# Commission For Postsecondary Education

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



## Arizona Commission for Postsecondary Education

### Strategic Plan 2013-2018

#### **Mission Statement:**

*To expand access and increase success in postsecondary education for Arizonans*

#### **Agency Description:**

The Commission is comprised of 16 Commissioners representing all sectors (public and private) of postsecondary education and its constituencies. Core responsibilities of the ACPE are related to student financial assistance programs including administration of state grants, scholarships, forgivable loans, and the Arizona Family College Savings (529) Program. The Commission provides timely and effective communication and programs to assist students and their families plan, transition, and succeed in postsecondary education.

**Strategic Issue 1:** *Student financial assistance dollars are scarce and should be maximized for students and families*

**Goal 1:** **Maximize student financial assistance available to students and families**

**Strategy 1.1:** **Provide effective and efficient administration of the Arizona Leveraging Educational Assistance Partnership (AzLEAP)**

1. Pattern the grant program administration after state and federal guidelines for the benefit of consistency for both institutions and students
2. Solicit input from stakeholders regarding the overall program administration
3. Identify and implement areas for administrative improvement annually
4. Develop, test, and implement streamlined processes
5. Prepare and distribute reports on students served by program to policy makers
6. Survey postsecondary institutions regarding effectiveness of administration

#### Performance Measures:

- Achieve 95% satisfaction with administration of program as evaluated by institutional constituencies
- Document the number of processes annually reviewed
- Document the number of process improvements implemented and their benefit to better administration
- Complete and distribute an annual report to policy leaders informing them about participants and the benefits to the State

**Strategy 1.2: Provide effective and efficient administration of the College Access Challenge Last Stretch Scholarship program**

1. Follow College Access Challenge Grant application program requirements, develop program, and ensure fair access to funds to all Arizona students
2. Learn about and compare administration to similar programs in other states
3. Solicit input from stakeholders, i.e. students, postsecondary institutions, Governor's Office, regarding the overall program administration
4. Develop specifications for CACG Last Stretch Scholarship to be programmed and integrated into AzGrants website providing students a simple, single web portal to learn about and apply for State student aid
5. Develop a marketing plan and promote to all Arizona baccalaureate degree-granting institutions for maximum exposure to eligible students
6. Prepare annual Scholarship report describing student and institutional participants as well as the barriers and incentives to retention they experience

Performance Measures:

- Last Stretch Scholarship represents a cohesive program with achievable and measurable goals
- Application process is simple for students and integrated into the AzGrants web portal to benefit student understanding of potential financial aid programs
- Students apply and receive funds in a timely manner contributing to the success of the program
- Adequate numbers of eligible students apply and receive funds
- An annual report to policy leaders is compiled and distributed with data regarding students and institutions participating, as well as data collected from students regarding barriers and incentives to persistence to degree

**Strategy 1.3: Provide effective and efficient administration of the Arizona Math, Science, Special Education (MSSE) Teacher Loan Forgiveness program**

1. Review program requirements in statute, as well as procedures implemented by the Arizona Board of Regents in the previous administration, in order to develop a program that meets both the student and the State's needs
2. Solicit input from stakeholders, i.e. students, ADE, college and university teacher education programs, and policy makers regarding the overall program goals and subsequent administration
3. Develop specifications for MSSE Teacher Loan Forgiveness Program to be programmed and integrated into the AzGrants website providing a simple, single application for student aid

4. Develop a marketing plan and promote to all Arizona students enrolled in a teacher education program for maximum exposure to eligible students
5. Prepare an annual report describing student and institutional participants as well as teacher retention, loan forgiveness, and loan repayments

Performance Measures:

- MSSE Program represents a cohesive forgivable loan program with achievable and measurable goals
- Application process is simple for students and integrated into the AzGrants web portal to benefit students' understanding of potential financial aid programs
- Students apply and receive funds in a timely manner contributing to the success of the program and its goals
- Adequate numbers of eligible students apply and receive funds
- An annual report to policy leaders is compiled and distributed including data regarding students and institutions participating, data on service in shortage areas and retention data, as well as data collected from students regarding barriers and incentives to persistence to degree

**Strategy 1.4: Provide one secure web portal providing access to state student grants, scholarships, forgivable loans, and loan repayments**

1. Single web portal is designed to accept applications and complete the administrative processes necessary to award student financial aid
2. Portal serves as the single place for students in repayment of state financial aid to view account information and complete the administrative processes necessary to manage loan repayment
3. Portal provides financial aid professionals from postsecondary institutions across the state a user-friendly tool for verification and certification of student eligibility for financial aid programs
4. Portal allows students to track the progress of their application or loan status
5. Website provides links to financial aid options and resources
6. Data is collected regarding students and institutions to be used for policy decisions

Performance Measures:

- Number of grants, scholarships, loans issued annually
- Number of repayments accepted and processed annually
- Number of process improvements implemented to streamline administration based upon constituency feedback
- Annual reports to policy leaders describing students and institutions participating, as well as data from students regarding barriers and incentives to persistence to degree

**Strategy 1.5: Provide effective and efficient administration and oversight for the Arizona Family College Savings (529) Program (AFCSP)**

1. Through on-going research and participation in professional development venues, Commission staff apprise Commissioners and Oversight Committee members of SEC, MSRB, national standards and national 529 plan issues and trends
2. Commission staff, Trustees (Commissioners), and Oversight Committee members improve Arizona 529 plan administration and offerings based upon knowledge of best practices and successes of other state programs
3. Processes to ensure the interest of the state and the needs of Arizona residents are being met and are in place
4. ACPE seeks advice when needed from an experienced consultant regarding investment offerings, program operating procedures, and 529 plan industry trends
5. Improved processes and procedures are developed, tested, and implemented annually
6. Staff develop and implement a year-long public awareness/marketing plan to inform and encourage Arizona families to prepare for the expenses of postsecondary education through a tax-advantaged 529 plan
7. Commission staff provides measures of the success of the 529 plan, using various sources of data, and comparison to program mission and goals

**Performance Measures:**

- Program administration, operating procedures, and offering materials comply with regulatory and CSPN standards and reflect best practices of the industry
- Director attends national meetings, participates in professional organizations, and brings research and best practices to the administration of the AFCSP
- Director holds monthly meetings with representatives of program managers, reviewing the interests of the state, and ensuring program participants needs are being considered
- Expert advice is sought for issues of legal and regulatory import
- Public awareness of 529 plan benefit is increased through marketing efforts
- Management reports are prepared and distributed among constituencies
- The number of Arizona families benefiting from the AFCSP increases annually by a predetermined annual goal

**Strategy 1.6: Offer a quality college savings (529) program by maximizing the contribution of the AFCSP Oversight Committee**

1. OS Committee proposes mission and goals to Trustees for approval
2. OS Committee member expertise is maximized in areas of evaluation of program and investment offerings, as well as operations and marketing
3. Effective OS Committee meetings take place at least five times per year to make recommendations; Trustees meet 4 times a year to make decisions
4. Staff provide research, daily oversight, and measurement of processes against goals
5. A productive and on-going annual provider review process results in informed decision-making by Trustees regarding program managers and investment products

Performance Measures:

- Mission and goals are developed and are used to direct program administration
- OS Committee and Trustee meetings are held and evaluated effective by participants
- Outputs from the Oversight Committee meetings include recommendations regarding:
  - program manager contract renewals and modifications
  - mission and goals for the AFSCP
  - operational procedures
  - quality, affordable investment products for Arizona families
- Quality of financial institutions and investment products continually improve as evidenced by successful public comparison to other state programs and meeting savings growth goals

**Strategy 1.7: Meet the burgeoning need of student financial assistance by reinstatement of two successful programs currently under suspension: Postsecondary Education Financial Assistance Program (PFAP) and Postsecondary Education Grant (PEG) and to meet the Maintenance of Effort (MOE) criterion 2 for years 4 and 5 of the College Access Challenge Grant**

See submitted Justification for Proposed Funding Issues for FY 2014 in the FY 2014 & FY 2015 Budget Request

**Strategy 1.8: Restoration of adequate funding to achieve the goals set forth in the Math, Science, and Special Education Teacher Loan Forgiveness program**

See submitted Justification for Proposed Funding Issues for FY 2014 in the FY 2014 & FY 2015 Budget Request

**Strategy 1.9: Establishment of the Special Postsecondary Education Grant program to ensure the continued ability of the State to meet Maintenance of Effort (MOE) requirements for the College Access Challenge Grant (CACG) and to provide much needed student financial assistance**

See submitted Justification for Proposed Funding Issues for FY 2014 in the FY 2014 & FY 2015 Budget Request

**Strategic Issue 2: *Students and families are uninformed and need assistance to set and achieve their postsecondary goals***

**Goal 2: Provide accurate and timely information and support from knowledgeable professionals to help students and families plan for and succeed in postsecondary education**

**Strategy 2.1: Coordinate the statewide Arizona College Goal Sunday (CGS) Financial Literacy Initiative**

1. Secure external funding sources to implement program elements
2. Coordinate and execute the on-going statewide CGS weekend effort to assist college-bound seniors, their families and returning adults in filing the Free Application for Federal Student Aid (FAFSA)
3. Recruit more than 300 financial aid professionals to staff CGS weekend
4. Seek partnerships and collaborations to extend the financial literacy program year round, making available to students and families age-specific, appropriate and timely communication regarding student financial assistance
5. Implement the year round financial literacy program

Performance Measures:

- Dollars are available to support program elements
- CGS weekend event staffed by financial aid professionals is held
- Student/family surveys indicate target audience is served and benefits are realized
- Number of FAFSA's completed
- Number of publications distributed and website visits

**Strategy 2.2: Fully develop and implement the Arizona College Access Network (AzCAN)**

1. Establish and staff a Network steering committee as they develop a customized plan to support the needs of Arizona's college access programs and the students they serve
2. Convert and enhance existing website to reduce maintenance cost and to provide increased interactive function

3. Identify college access programs and build relationships with college access professionals statewide with an emphasis on rural areas and target populations
4. Provide benefits to the Network membership which will improve their performance

Performance Measures:

- Network steering committee develops a strategic plan
- Three regional meetings are held around the state to engage key stakeholders in the planning, development and expansion of the network
- Enhanced website includes interactive functions such as webinars, listserv, and calendar
- Number of visits to website
- 100 member organizations and 15 supporters as members of the Network
- Number of publications distributed to member organizations
- Number of professional development webinar attendees, newsletter subscriptions, and listserv interactions

**Strategy 2.3: Increase the capacity of organizations served by AzCAN and establish expected standards of performance and effective evaluation**

1. Survey the state to catalog programs and practitioners in college access
2. Provide professional development with an emphasis on evaluation and capacity building
3. Create metrics of expected standards of performance
4. Provide resources, tools and expertise to assist program evaluation efforts

Performance Measures:

- Catalog 100 college access programs statewide
- Provide professional development opportunities at least six times per year
- Develop common standards of performance measures to track program outcomes
- Number of articles, toolkits and publications dispersed to Network members

**Strategy 2.4: Provide current and relevant web and print-based information on college-going and financial assistance for families and students**

1. Secure external funding sources
2. Develop content/program elements

3. Identify outreach/distribution methods using partnerships and collaborations
4. Implement, maintain, and evaluate the publications and websites including the *Arizona College and Career Guide* (print and online), *Rapid Guide to Financial Aid*, and ACPE websites including collegegoalsunday.com, ACPE website, azgrants.gov, Pay4collegeArizona.gov, AZ529.gov, and azcan.gov

Performance Measures:

- Funds are adequate to support each project
- Number of visits per website, numbers of publication requests
- Constituency feedback regarding value of communication and information
- Staffing is adequate to plan, maintain, and evaluate a quality product

**Strategic Issue 3:** *Private and public postsecondary higher education can enhance student success and leverage resources by working together*

**Goal 3:** **Provide a forum where all sectors of postsecondary education dialogue, partner, and problem solve issues of mutual interest**

**Strategy 3.1:** **Use the ACPE meetings and conferences to both problem solve and identify opportunities that cross sectors of postsecondary education**

1. Hold effective meetings at least four times per year; conference every other year
2. Use expertise of Commissioners and constituents to identify areas of opportunity and problems
3. Use a sub-committee or collaborative task force structure to achieve the identified goals
4. Promote work of these groups to capitalize on opportunities and solve problems
5. Evaluate outcomes of meetings, conferences, and revise plan annually

Performance Measures:

- Commissioners rate meetings as effective in achieving goals
- Areas of opportunity and problems are identified
- Collaborative work groups are established to achieve solutions or engage opportunities
- Plans are revised and adapted to meet changing needs

**Strategy 3.2:** **Encourage and participate in collaboration/partnerships to promote college access and success**



1. Seek avenues to encourage collaboration/partnerships that contribute to ACPE mission
2. Review the effectiveness of existing initiative investments
3. Share resources to assist in sustaining or initiating appropriate efforts
4. Complete an annual review of these efforts and re-allocate

Performance Measures:

- Number of collaborations/partnerships investments
- Assessment of contributions received and those gained
- Reallocation of resources based on evaluation

**Strategy 3.3: Initiate research through the Arizona Minority Policy Analysis Center that promotes the changes necessary to accomplish the mission of ACPE**

1. Develop and support policy analysis center(s)
2. Use research to identify necessary initiatives and goals
3. Identify research and infrastructure partners
4. Disseminate and use research to promote policy change

Performance Measures:

- Sustain AMEPAC through leadership, infrastructure, and fundraising support
- Number of studies produced that forward the mission
- Impact of studies

Resource Assumptions (agency level)						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions:						
Appropriated	5	11	11	11	11	11
Non-Appropriated	1	1	1	1	1	1
Federal Funds	2	2	2	2	2	2
General Fund	\$1,396.8	\$9,800.7	\$9,196.8	\$9,196.8	\$9,196.8	\$9,196.8
Other Appropriated Funds	\$1,742.7	\$1,742.7	\$1,742.7	\$1,742.7	\$1,742.7	\$1,742.7
Non-Appropriated Funds	\$1,270.7	\$696.2	\$758.6	\$636.9	\$636.9	\$636.9
Federal Funds	\$1,200.0	\$1,200.0	\$1,200.0	0	0	0
Total Agency Funds	\$5,610.2	\$13,439.6	\$12,898.1	\$11,576.4	\$11,576.4	\$11,576.4

The Arizona Commission for Postsecondary Education (ACPE) is committed to increasing access and success in postsecondary education to all Arizonans. To achieve this mission the ACPE requests two full-time equivalent (FTE) employees and \$2M to meet the intent of the Math, Science and Special Education (MSSE) Teacher Loan Program to end teacher shortages. In addition, a request is made to reinstate the suspended and very successful Postsecondary Education Grant (PEG) and the Arizona Private Postsecondary Student Financial Assistance (PFAP) program at levels of \$5M and \$800K, respectively. Likewise, these programs will require personnel of three FTE for PEG and one FTE for PFAP. Finally, for FY2014 only, the ACPE requests general funds of \$603.9K to fund a second year of the Special Postsecondary Education Grant (SPEG) in order to meet the Maintenance of Effort (MOE) to secure Arizona's College Access Challenge Grant of \$2.9M for year four. To assist in making this happen the ACPE is offering the \$546.8K remaining balance in the Early Graduation Scholarship Fund (EGSG) to make meeting the MOE nearly revenue neutral.

## Agency Summary

### COMMISSION FOR POSTSECONDARY EDUCATION

Dr. April Osborn, Executive Director  
 Phone: (602) 258-2435  
 A.R.S. § 15-1851

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,396.8	1,396.8	9,800.7	9,196.8
Other Appropriated Funds	1,464.9	1,742.7	1,593.6	1,593.6
Other Non Appropriated Funds	1,940.5	2,469.7	2,412.6	1,865.8
<b>Total Funding</b>	<b>4,802.2</b>	<b>5,609.2</b>	<b>13,806.9</b>	<b>12,656.2</b>

FTE Positions	5.0	8.0	14.0	14.0
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◆ **Goal 1** To maximize student financial assistance available to students and families

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Postsecondary Education Financial Assistance Program student awards	0	0	0	0	0	0
Percent of good or excellent service via evaluation surveys	89	90	88	90	90	90
Number of Arizona Education Loan Program student borrowers	N/A	N/A	N/A	N/A	N/A	N/A
Number of Arizona Family College Savings Program accounts	60,540	63,000	64,171	66,000	69,000	72,000

◆ **Goal 2** To provide accurate and timely information and support from knowledgeable professionals to help students and families plan for and succeed in postsecondary education

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Arizona College & Career Guides distributed	0	15,000	14565	15,000	15,000	15,000
Number of Arizona College & Career Guide (ACCG) on-line hits	3,282	3,000	7,267	7,000	7,000	7,000
Attendees at College Goal Sunday	2,038	3,000	1,706	2,000	2,000	2,000
Think College and Parent materials distributed (Spanish)	2,500	2,500	1,174	2,500	2,500	2,500

**Explanation:** \*The Rapid Guide to Financial Aidi is a grant-supported publication that is distributed to students/families through high schools and college access programs.

Think College and Parent materials distributed (English)	25,000	25,000	8,469	25,000	25,000	25,000
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**Explanation:** \*The Rapid Guide to Financial Aidi is a grant-supported publication that is distributed to students/families through high schools and college access programs.

◆ **Goal 3** To provide a forum where all sectors of postsecondary education dialogue, partner and problem solve issues of mutual interest

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of statewide committees or task forces	3	3	3	3	3	3

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
collaboratively seeking solutions to issues in postsecondary education						
Numbers of research studies published to examine issues of postsecondary access and success	1	1	1	1	1	1

# Power Authority

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

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**COMMISSION**

*John I. Hudson*  
**Chairman**

Stephen M. Brophy  
**Vice Chairman**

Joe A. Albo  
Dalton H. Cole  
Richard S. Walden



**Arizona Power Authority**  
1810 W. Adams St Phoenix, AZ 85007  
(602)368-4265 Fax (602)253-7970

**STAFF**

Joseph W. Mulholland  
**Executive Director**

Michael A. Gazda  
**Deputy Director**

Susan E. Angulo  
**Executive Secretary**

**November 14, 2012**

**I hereby present the Five Year Strategic Plan for the Arizona Power Authority.  
This Strategic Plan covers Fiscal Years 2014 through 2018.**

**The Authority remains dedicated to its mission to deliver affordable, reliable clean electric power to its customers throughout Arizona. Given the considerable economic and environmental pressures in the marketplace, securing this source of renewable, pollution-free energy for our state is an important achievement that will provide stability for years to come. As the future opens ahead of us, the Authority is taking strategic steps to address emerging market complexities, to foster strong partnerships, and to ensure that Arizona's overall position in the energy marketplace is strengthened as a result of our efforts.**

**Thank you,**

**Joseph W. Mulholland**  
**Executive Director**

## **ARIZONA POWER AUTHORITY**

### **DESCRIPTION OF BUSINESS**

The Arizona Power Authority (the “Authority”) is a body, corporate and politic, without taxing power, established by the Arizona Legislature on May 27, 1944 by the Power Authority Act. Under the Power Authority Act, the Authority is directed to obtain electric power developed from the mainstream of the Colorado River and sell such power to certain qualified purchasers. The Power Authority Act provides that the Authority must be a self-supporting agency and prohibits the Authority from incurring any obligation, which would be binding upon the State of Arizona.

The Authority supplies capacity and energy on a wholesale basis to certain power purchasers in the State of Arizona. The Authority’s primary source of power and energy is the Hoover Power Plant at Hoover Dam, located approximately 25 miles from Las Vegas, Nevada. Hoover power is produced by the Boulder Canyon Project hydropower plant owned by the Bureau of Reclamation. Hoover Dam is the highest and third largest concrete dam in the United States of America. Hoover Dam was dedicated in 1935 and the first generator of the Hoover Power Plant was in full operation in October 1936 and has been in continuous operation since. Power and energy from the Hoover Power Plant is transmitted to load centers in Arizona, California and Nevada. The Authority first contracted for Arizona’s share of Hoover power in 1952 and has continuously provided power and energy to its customers since that time.

The Authority is governed by a commission of five members appointed by the Governor and approved by the State Senate (the “Commission”). The term of office for each member is six years and the members select a chairman and vice-chairman from among its membership for two-year terms.

Pursuant to Arizona law, the Commission serves as the Authority’s regulatory body with the exclusive authority to establish electric prices. The Authority is required to follow certain procedures, pertaining to public notice requirements and public meetings, before implementing changes in electric price schedules.



## **ARIZONA POWER AUTHORITY MISSION**

To responsibly administrate the Hoover Power allocation to the State of Arizona. In fulfilling this responsibility, the Power Authority strives to be an active leader in managing electric resources in a safe and environmentally prudent manner, and to provide active representation on behalf of the State of Arizona at federal, state, and local forums on issues that impact the public power community as a whole and issues that specifically involve Arizona and the Power Authority's power resources.

## STRATEGIC ISSUES

**STRATEGIC ISSUE #1:** *Maintain or reduce costs of generation and transmission resources*

We will continue to pursue ways to control and reduce costs at Hoover Dam, and on the transmission system used for delivery of Hoover power. In doing so, we will continue to work closely with Federal and State agencies and committees.

**STRATEGIC ISSUE #2:** *Participate efficiently and effectively in new energy resources, and maintain existing Hoover generation and associated transmission.*

The electric utility industry at the wholesale level is changing rapidly, as environmental concerns become more dominant, and renewable energy resources more available. The Power Authority is vitally concerned with those changes, and deals with many organizations at the Federal and State level in preparing and participating in studies to address these changes.

**STRATEGIC ISSUE #3:** *Train staff to provide additional or more efficient service to customers.*

Continue to actively support the Authority's customers, and employ computer models to study pooling and aggregation of customer needs and resources.

**STRATEGIC ISSUE #4:** *Fulfilling statutory and contractual obligations in a restructured industry.*

The Authority must ensure that state and federal legislative and regulatory changes allow it to continue to fulfill its obligations. The Authority must be able to adjust its procedures and processes to ensure continued effective use of its resources.

## ARIZONA POWER AUTHORITY GOALS

### 2014 through 2018

**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.*

**OBJECTIVES:** Review expenditures, scheduled maintenance, additions, improvements and other cost of service factors, affecting power generation costs at Hoover Dam. Investigate possible new electric power supply sources, including renewable energy resources, to strengthen Arizona's electric power resource pool.

	FY2013 (estimate)	FY2014 (estimate)	FY2015 (estimate)	FY2016 (estimate)	FY2017 (estimate)	FY2018 (estimate)
Hoover Annual Revenue Requirements (in thousands)	86,218.0	87,449.0	92,278.0	90,766.0	85,469.0	77,186

**GOAL #2:** *To analyze and critically review the transmission system additions and other cost factors associated with the delivery of Hoover Power.*

**OBJECTIVES:** Review annual expenditures, scheduled maintenance, additions, improvements and other cost of service factors affecting the transmission of Hoover Dam Power.

	FY2013 (estimate)	FY2014 (estimate)	FY2015 (estimate)	FY2016 (estimate)	FY2017 (estimate)	FY2018 (estimate)
Cost of Intertie Transmission (\$/kw-year)	15.24	19.68	19.68	19.68	19.68	19.68
Cost of Parker-Davis Transmission (\$/kw-year)	14.88	14.88	14.88	14.88	14.88	14.88

**GOAL #3:** *To ensure the Power Authority has the opportunity to coordinate and cooperate with Federal agencies to supply and deliver Hoover power to the Authority’s customers in the State of Arizona.*

**OBJECTIVES:** Work with and support the Authority’s customers in providing new efficient and environmentally sound generation resources at reasonable prices.

RESOURCE ASSUMPTIONS	FY2013 (estimate)	FY2014 (estimate)	FY2015 (estimate)	FY2016 (estimate)	FY2017 (estimate)	FY2018 (estimate)
Customers purchasing power from Arizona Power Authority	29	29	29	29	29	29

**Agency Summary**

POWER AUTHORITY

Joseph W. Mulholland, Executive Director  
 Phone: (602) 368-4265  
 A.R.S. §§ 30-101 et seq

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	40,576.1	39,284.2	39,284.2	39,284.2
<b>Total Funding</b>	<b>40,576.1</b>	<b>39,284.2</b>	<b>39,284.2</b>	<b>39,284.2</b>

<b>FTE Positions</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>
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- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Hoover annual revenue requirements (in thousands).	75,182.5	84,536.8	79798.1	86218.0	87449.0	92278.0

- ◆ **Goal 2** To analyze and critically review the transmission system additions and other cost factors associated with the delivery of Hoover Dam Power.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Cost of Intertie Transmission (\$/kW-year)	15.24	15.24	15.24	15.24	19.68	19.68
Cost of Parker-Davis Transmission (\$/kW-year)	12.96	12.96	12.96	14.88	14.88	14.88

- ◆ **Goal 3** To ensure the Power Authority has the opportunity to coordinate and cooperate with Federal agencies to supply and deliver Hoover power to the Authority's customers in the State of Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Customers purchasing power from Arizona Power Authority	30	30	30	29	29	29

# State Board For Private Post-secondary Education

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**ARIZONA STATE BOARD FOR  
PRIVATE POSTSECONDARY EDUCATION**

**STRATEGIC PLAN  
2013 - 2017**

Prepared by: Teri Stanfill, Executive Director

Reviewed and approved by the State Board: September 27, 2012

## EXECUTIVE SUMMARY

The Arizona State Board for Private Postsecondary Education (“State Board”) was established by the State Legislature in 1970 to license and regulate the private postsecondary educational institutions offering vocational programs. In 1985, the statutes were amended to include the private postsecondary educational institutions offering degree-granting programs. In 1989, the Student Tuition Recovery Fund was established to provide students’ financial restitution if the private postsecondary educational institution ceased to operate before providing the student the entire program in which they were enrolled.

In FY 2012, the State Board licensed and regulated 247 private postsecondary educational institutions. These private colleges and universities annually serve over 850,000 students and generated over \$4.9 billion in revenue.

The programs offered by the private postsecondary educational institutions range from Bartending, Dog Grooming to a Ph.D. in many fields, Juris Doctorate and a Doctor of Dental Medicine. The programs are offered campus-based, online delivery or a combination of both.

The State Board has two programs: Licensing and Regulation of the private postsecondary educational institutions and administration of the Student Tuition Recovery Fund.

Licensing and Regulation: The State Board acts on license applications (to include new institutions, renewals, new programs, change/new location, change of ownership), determines compliance, investigates complaints and takes disciplinary action.

Student Tuition Recovery Fund: The State Board administers the Student Tuition Recovery Fund of @ \$500,000. The State Board takes possession of student educational records from closed institutions in order to provide students’ access to their educational records to further their education or verification for employment. The fund also provides financial restitution to students who were currently enrolled at the time of a school closure and unable to transfer to another institution.

To carry out the State Board’s statutory duties, the State Board has adopted the following goals:

- To improve legal operations, ethical practices and quality education in the private postsecondary education sector through effective and improved regulatory practices.
- To investigate and adjudicate complaints in a more timely and effective manner through streamlined and improved regulatory practices.



- To improve efficiency and administration of the licensing and regulation program through an internal re-structuring and enhancement of administrative practices.
- To provide equitable financial restitution, in a more timely manner, to students financially injured as a result of a school closure by streamlining the process of filing a STRF claim.
- Revised: To provide student's access to their educational records in a more timely manner though improvement in the administrative process

The State Board has seven members appointed by the Governor for 4-year terms and requires Senate confirmation. The Board membership is comprised of:

- 2 Members representing institutions offering vocational programs;
- 1 Member representing an institution offering an associate degree program;
- 2 Members representing an institution offering a baccalaureate or higher degree program;
- 2 Members representing the public.

The State Board's staff consists of the Executive Director, Investigator/Deputy Director, Licensing/Program Specialist and an Administrative Assistant. The State Board has legal representation through the Attorney General's office.

Sources of Revenue:

- **Licensing and Regulation:** The State Board is a 90/10 agency, collecting licensing fees from the private postsecondary institutions. The State Board retains 90% of the licensing fees and deposits 10% into the State's General Fund.
- The Student Tuition Recovery Fund is a non-appropriated fund and must maintain a minimum balance of \$500,000. The monies collected are from an assessment levied on the currently licensed institutions.

**Partnerships:** The State Board acts in partnership with other City, State and Federal agencies to provide consumer protection and quality education and policies.

- Throughout the country, the private postsecondary licensing boards in each state is part of the "Triad" in terms of oversight for the Federal Student Aid programs. The other "Triad" members include the U.S. Department of Education and the regional, national accrediting agencies. All three work very closely in monitoring compliance.
- For a private postsecondary educational institution to participate in the adult education programs funded by various state agencies, to include the Veteran's Administration, licensure by the State Board is required.
- The State Board also works very closely with other State Boards (i.e. State Board of Nursing, State Board of Massage Therapy) who share dual licensing responsibilities in terms of programmatic approval and practitioner licensing of the private postsecondary educational institution's graduates.

## **MISSION AND PURPOSE**

The Arizona State Board for Private Postsecondary Education's mission is to protect the health, safety and welfare of the public by regulating private postsecondary educational institutions and providing services to their students.

The State Board will:

- Ensure Arizona residents that State Board licensed institutions are well managed, educationally sound and financially stable.
- Protect consumers and help licensed institutions through regulatory enforcement and processes that are reasonable, consistent, firm, fair and timely.
- Demonstrate a commitment to the private postsecondary education sector by supporting the success of students and licensed institutions.
- Holding licensed institutions accountable for improving their performance and effectiveness.
- Supporting options for innovation and quality educational programs offered by the licensed institutions.
- Continue to be an active partner through positive working relationships and alliances with other state agencies, U.S. Department of Education and Accrediting Agencies.

### **AGENCY CORE VALUES:**

- **Consumer Protection**
- **Integrity and Teamwork**
- **Competent, Courteous and Professional Service**
- **Responsible Fiscal Management**

# **GOALS AND OBJECTIVES**

## **LICENSING AND REGULATION PROGRAM**

### **Goal 1:**

To improve legal operations, ethical practices and quality education in the private postsecondary education sector through effective and improved regulatory practices.

#### **Objectives:**

- Maintaining effective and efficient regulation of the private postsecondary education sector.

#### **Strategies:**

1. Streamline and implement online annual process of licensed institutions' programs, policies, procedures and student materials to determine compliance.
2. Streamline and implement online submission of supplemental license applications for new programs, new or change of location, change of ownership to determine compliance.
3. Improve knowledge and breadth of understanding in the increasing complex federal regulations and accrediting standards.
4. Building of awareness of new careers and technologies.

- Improve Regulatory Rules and Processes.

#### **Strategies:**

1. Regular review of consumer protection mechanisms.
2. Review of all rules and regulations.
3. Streamline rules and processes.
4. Understanding the unique regulatory challenges for online learning.
5. Recurring assessment of regulatory knowledge for licensing and licensing of professionals.
6. Increase knowledge and breadth of understanding of increasing complex federal regulations and accrediting standards.
7. Keeping abreast of emerging trends in the postsecondary sector.

## **Goal 2:**

To investigate and adjudicate complaints in a more timely and effective manner through streamlined and improved regulatory practices.

Objectives:

- Implement a Non-Student Complaint process

Strategies:

1. Formulate a Non-Student Complaint process in rule with a 1 year statute of limitations.
2. Ensure the process affords due process for the licensed institution and protects the public.
3. Define the types of non-student complaints that are under the State Board's jurisdiction.

- Improve the Student Complaint Process

Strategies:

1. Revise the current process changing the statute of limitation from three years to one upon completion of the student grievance procedure at the institution.
2. Require the institutions to respond to requests within a reasonable amount of time.
3. Encourage the students and licensed institutions to resolve the complaint amicably and fairly.
4. Continue to work with the licensed institutions to take corrective action in policies, procedures or educational programs to become compliant.

## **Goal 3:**

To improve efficiency and administration of the licensing and regulation program through an internal re-structuring and enhancement of administrative practices

Objectives:

- To enhance our internal personnel structure and leadership capacity to respond to the growing complexity of the private postsecondary sector.

Strategies:

1. Reclassification of personnel to employ a "Program Compliance Manager". This will require a request for an increase in the appropriation.

2. The "Program Compliance Manager" will possess at a minimum a bachelor's degree with extensive higher education experience and knowledge in the complexity of federal regulations, accrediting agencies and other state agencies with dual oversight.
3. Improvement to the database.
4. Improved training and development of current staff.
5. Implement online processing of forms and applications.
6. Ensure competent, courteous and professional services to stakeholders and partners.

### **Performance Measures:**

1. Number of new institutions, renewals and supplemental license applications licensed with the established timeframes
2. Number of new institutions, renewals and supplemental license applicants licensed outside of the established timeframes
3. Number of students enrolled
4. Number of adverse actions taken (remedial action required, additional reporting requirements and monitoring, higher surety bond)
5. Customer service satisfaction is above 90%
6. Number of student complaints resolved/dismissed
7. Number of student complaints resulting in disciplinary action
8. Number of non-student complaints resolved/dismissed
9. Number of non-student complaints resulting in disciplinary action
10. Average number of days in investigating and adjudicating student complaints
11. Average number of days in investigating and adjudicating non-student complaints

# **STUDENT TUITION RECOVERY FUND**

## **Goal 1:**

To provide equitable financial restitution, in a more timely manner, to students financially injured as a result of a school closure by streamlining the process of filing a STRF claim.

### **Objectives:**

- To assist the institution in conducting an orderly closing and possible teach-out.

### **Strategies:**

1. Work with the closing institution to open communications with the currently enrolled students to inform the students of the available options.
  2. Work with currently licensed institutions to provide available teach-out opportunities for the students in the closing institution
  3. Process Student Tuition Recovery Fund claims in a timely manner.
- To collect and secure monies sufficient to provide for student financial restitution.

### **Strategies:**

1. Invest at least 75% of the fund with the State Treasurer's office to receive interest payments.
2. Request permission through the budget process to transfer excess funds from the Licensing and Regulation Fund Balance to the Student Tuition Recovery Fund.
3. If an assessment is necessary, inform the licensed institutions in advance in order for the licensed institution to properly budget.
4. Request a \$200,000 fund transfer from Licensing and Regulation in the FY2016 budget process.

## **Goal 2:**

To provide student's access to their educational records in a more timely manner though improvement in the administrative process.

### **Objective:**

- Continue to provide students copies of their student educational records in a timely manner.

**Strategies:**

1. Update the internal record keeping of the location of the student's educational records.
2. Encourage licensed institutions to maintain student records digitally to improve efficiency in retrieving student records information.

**Performance Measures:**

1. Student records are processed within three weeks of receipt
2. Student tuition recovery claims are processed/approved within 90 days.
3. Responsible fiscal management

## RESOURCE ASSUMPTIONS

### Licensing and Regulation Fund 2056:

	FY2012 Appropriation	FY2013 Budget Approved	FY 2014 Request	FY2015 Estimate	FY2016 Estimate	FY2017 Estimate
FTE	3.5 (actual)	4.0	4.0	4.0	4.0	4.0
Appropriation	336.4	327.5	405.3	405.3	405.3	405.3

### Student Tuition Recovery Fund 3027: Assumes \$320,000 Fund Transfer approved in FY2014 and requests an additional fund transfer in FY2016.

	FY2012 Actual	FY2013 Estimate	FY2014 Estimate	FY2015 Estimate	FY2016 Estimate	FY2017 Estimate
Non-Appropriated Expenses	71.8	115.3	115.3	103.1	103.1	103.1
Fund Balance	550.2	442.7	668.5	574.3	671.20 (assumes a fund transfer)	568.1



## Agency Summary

### STATE BOARD FOR PRIVATE POST-SECONDARY EDUCATION

Teri Stanfill, Executive Director  
 Phone: (602) 542-2399  
 A.R.S. §§ 32-3001 et seq.

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ LICENSING AND REGULATION	334.2	327.5	725.3	405.3
➤ STUDENT TUITION RECOVERY FUND	71.6	115.3	-216.9	103.1
<b>Agency Total:</b>	<b>405.8</b>	<b>442.8</b>	<b>508.4</b>	<b>508.4</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	334.2	327.5	725.3	405.3
Other Non Appropriated Funds	71.6	115.3	-216.9	103.1
<b>Total Funding</b>	<b>405.8</b>	<b>442.8</b>	<b>508.4</b>	<b>508.4</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

**Program Summary**

**LICENSING AND REGULATION**

Teri Stanfill, Executive Director  
 Phone: (602) 542-5709  
 A.R.S. §§ 32-3001 to 32-3058

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	334.2	327.5	725.3	405.3
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>334.2</b>	<b>327.5</b>	<b>725.3</b>	<b>405.3</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

◆ **Goal 1** To ensure legal operations, ethical practices, and quality education in the private postsecondary sector.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total number of institutions licensed	252	236	247	246	252	252
Total number of renewal licenses approved	223	226	233	236	238	238
Total number of Supplemental Licenses approved	508.	315	178	315	175	180
Number of adverse actions taken	42	45	43	45	45	45
Number of annual inspections conducted	25	25	23	25	25	25
Number of students enrolled	779,042	880,000	847,331	875,000	900,000	925,000
Number of licenses denied	0	1	0	1	1	1
Number of institutional closures	11	10	28	10	12	12

◆ **Goal 2** To investigate and adjudicate complaints in a timely manner.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of annual student complaints investigated	12	15	19	15	15	15
Number of student complaints resolved/dismissed	8	10	9	10	10	10
Number of student complaints resulting in disciplinary action	3	5	5	5	5	5
Number of Student Complaints Pending	1	0	5	0	0	0
Number of non-student complaints investigated	11	15	8	10	10	10
Number of non-student complaints resolved	5	12	4	12	5	5
Number of non-student complaints resulting in disciplinary action	1	3	0	3	5	5
Number of non-student Complaints Pending	5	0	4	0	0	0
Number of written inquiries	437	90	387	250	250	250

◆ **Goal 3** To efficiently and effectively administer the licensing and regulation program of the Board.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Customer Satisfaction Survey (scale of 1-8)	7.5	7.9	7.5	7.5	7.5	7.5
Administration as a percentage of total cost	4.2	4.3	4.0	4.3	4.	4.

**Program Summary**

**STUDENT TUITION RECOVERY FUND**

Teri Stanfill, Executive Director  
 Phone: (602) 542-5709  
 A.R.S. §§ 32-3071 to 32-3077

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	71.6	115.3	-216.9	103.1
<b>Total Funding</b>	<b>71.6</b>	<b>115.3</b>	<b>-216.9</b>	<b>103.1</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To provide equitable financial restitution, in a timely manner, to students financially injured as a result of a school closure.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of claims filed	7	10	1	10	10	10
Number of claims rejected	1	0	1	0	0	0
Number of claims paid/settled/closed	6	10	0	10	10	10
Number of claims pending	0	0	0	0	0	0
Average number of calendar days to pay claims	58	60	NA	60	60	60

◆ **Goal 2** To collect or secure monies sufficient to provide for student financial restitution.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of institutions billed	115	5	0	1	1	1
Amount of assessments collected (in thousands)	261.1	3.	0	0	.1	.1
Amount available to students (in thousands)	609.3	524.8	550.2	442.8	656.4	550.
Amount paid in Student Claims	16,615	25,000.	0	25,000.	50,000.	50,000.

◆ **Goal 3** To provide students access to their educational records in a timely manner.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of student record requests processed	2341	2350	1981	2350	2000	2000
Average number of days to process requests	8	10	9	10	10	10

# Board of Psychologist Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

#### **Board Members**

*Frederick S. Wechsler, Psy.D, ABPP.*  
Chair  
*Janice K. Brundage, Ph.D.*  
Vice-Chairman  
*Joseph C. Donaldson*  
Secretary  
*Bob Bohanske, Ph.D.*  
*John P. DiBacco, Ph.D.*  
*Daniel Larson*  
*Ramona N. Mellott, Ph.D.*



### **State of Arizona Board of Psychologist Examiners**

1400 West Washington, Suite 235  
Phoenix, Arizona 85007

Phone: (602) 542-8162 Fax: (602) 542-8279  
[www.psychboard.az.gov](http://www.psychboard.az.gov)

#### **Staff**

*Dr. Cindy Olvey*  
Executive Director  
*Megan Martin*  
Deputy Director  
*Heather Duracinski*  
Licensing Coordinator

# Agency-level Strategic Plan

## **Mission Statement**

To protect the health, safety and welfare of Arizona citizens by regulating the professions of psychology and behavior analysis.

## **Agency Description**

The function of the Board is to regulate and monitor the professions of psychology and behavior analysis. The Board has two major areas of regulatory authority. First, the Board licenses individuals to practice psychology and behavior analysis in the State of Arizona. Second, the Board investigates and adjudicates allegations of unprofessional conduct filed against psychologists and behavior analysts licensed in the State of Arizona.

## **Strategic Issues**

- A. Pursuant to A.R.S. §32-2091.02, regulation of behavior analysts became effective January 1, 2011. The first set of rules regulating behavior analysts became effective September 11, 2012. As the number of behavior analysts increases, the agency must continue to develop the necessary infrastructure to regulate this new profession.
- B. Due to budget limitations, the agency continues to operate at 75 percent staffing levels and has postponed necessary system development due to lack of funding. Examples include ability to accept credit/debit cards, data base upgrades, establishment of online applications.

## **Strategies**

- A. The agency has begun implementation of the new rules, which took effect September 11, 2012. Rules will assist the agency, the public, and licensees to know and understand the parameters for regulation as the agency continues to implement regulation of this new profession.
- B. The agency has implemented an increase in fees for the following three areas: License Renewal (active), License Renewal (inactive), Initial License (pro-rated). Once revenue is available, the

agency plans to begin development of systems to allow payment of fees through credit/debit card as well as exploring development of online applications for initial licensure and licensure renewal. The fee increase for psychology took effect September 1, 2012, and the fee increase for behavior analysis takes effect January 1, 2013.

### **Resource Assumptions**

A.R.S. § 35-122 requires —Resource assumptions shall include the number of full-time equivalent positions and budgetary data, including all funding sources categorized by General Fund, other appropriated funds, non-appropriated funds and federal funds that are required to support the strategic plan. Budget units must provide aggregate agency level FTE and funding information for each fund type. For FY 2013, include appropriated amounts and estimated non-appropriated and federal funds expenditures. Also include budget request figures for FY 2014 for each of the fund types and estimates moving forward through FY 2018, as shown in the sample chart below. Be sure to add a brief explanation of any assumptions used to determine changes in future financial resource needs.

Resource Assumptions (agency level)						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions	4	4	4	4	4	4
General Fund	0	0	0	0	0	0
Other Appropriated Funds	\$344,000	\$470,000*	\$470,000*	\$470,000*	\$470,000*	\$470,000*
Non-Appropriated Funds	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Total Agency Funds	\$344,000	\$470,000	\$470,000	\$470,000	\$470,000	\$470,000

\*Note: FY 2014-2018 estimates reflect fee increases effective on September 1, 2012, for psychologists and January 1, 2013 for behavior analysts.

## Agency Summary

### BOARD OF PSYCHOLOGIST EXAMINERS

Cindy Ovey, Psy.D., Executive Director  
 Phone: (602) 542-3018  
 A.R.S. §§ 32-2061, et. seq.

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	335.9	344.9	344.9	344.9
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>335.9</b>	<b>344.9</b>	<b>344.9</b>	<b>344.9</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

- ◆ **Goal 1** To protect the public from unqualified practitioners of behavior analysis by efficiently processing applications for licensure to determine if statutory requirements have been met.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of applications received	51	20	25	20	20	20

**Explanation:** FY 2011 Was first year Behavior Analysis license was available

Number of new licenses issued	45	15	24	20	20	20
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**Explanation:** FY 2011 Was first year Behavior Analysis license was available

- ◆ **Goal 2** To protect the public from incompetent practitioners of behavior analysis and unprofessional/unethical conduct through timely investigation and adjudication of complaints against licensees.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of investigations received	1	1	0	1	1	1
Average number of days to resolve complaints	37	50	0	50	50	50

- ◆ **Goal 3** To protect the public from unqualified practitioners of psychology by efficiently processing applications for licensure to determine if statutory and rule requirements have been met.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total number of applications received	121	110	136	108	108	108
New licenses issued	93	80	112	84	84	84
Number of licensees (active/inactive)	1835	1875	1942	1925	1989	1970
Average number of days to administratively process an application for licensure (from receipt to substantive review)	5	5	3	5	5	5
Average number of days to substantively process an application for licensure (from administrative completion to Board adjudication and/or issuance of license)	26	26	25	35	35	35

- ◆ **Goal 4** To protect the public from incompetent practitioners of psychology and unprofessional/unethical conduct through timely investigation and adjudication of complaints against licensees.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of investigations	39	39	54	43	43	43

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of complaints opened regarding licensees	25	25	34	31	31	31
Number of investigations received involving unlicensed practitioners/title violators/non-jurisdictional issues	14	14	21	17	17	17
Number of investigations resolved at the Complaint Screening Committee level	10	10	21	15	15	15
Average calendar days from date investigation is opened to resolution at Complaint Screening Committee	33	33	43	38	38	38
Number of investigations resolved/dismissed at the Board level through Board actions	15	15	13	14	14	14
Average calendar days from date investigation referred to Board to Board resolution/Board action	59	60	68	70	70	70
Total number of disciplinary actions taken	2	2	2	2	2	2
Total number of non-disciplinary/rehabilitative actions taken by the Board	1	1	5	2	2	2

◆ **Goal 5** To protect the public through the auditing of continuing education hours of psychologists to ensure licensees are kept apprised of current standards of practice.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of licensees in compliance with continuing education requirements	66	n/a	n/a	75	n/a	75

◆ **Goal 6** To encourage public input regarding the Board's performance through customer surveys.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Customer satisfaction rating (scale 1-8)	7.5	7.5	7.2	7.5	7.5	7.5



# Department of Public Safety

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



## Mission Statement

The Department’s mission is to protect human life and property by enforcing state laws, deterring criminal activity, ensuring highway and public safety, and providing vital scientific, technical, and operational support to other criminal justice agencies.

## Vision Statement

Our vision is to be a national model in providing ethical, effective, and customer-oriented state-level law enforcement services.

## Agency Description

The Arizona Department of Public Safety enforces state law with primary responsibility in the areas of traffic safety, criminal interdiction, narcotics, organized crime, auto theft, and specific regulatory functions. Services include homeland security, criminal intelligence, scientific analysis, aviation support, emergency first care, criminal information system, training, and statewide communications. Operational and technical assistance is provided to local and state agencies and other components of the criminal justice community. The Department also promotes and enhances the quality of public safety through cooperative enforcement and community awareness programs.

## Agency Assessment

Agency Strengths	Agency Opportunities
#1 Scientific analysis excellence.	#1 Priority on public safety issues.
#2 Dedicated professional people.	#2 Service gaps on federal level.
#3 Progressive attitudes.	#3 Other agencies demand for services.
#4 Strong work ethic.	#4 Increased opportunities for public information.
#5 Good agency reputation.	#5 Public concern with crime.
#6 Cohesive management staff.	#6 Technological advances.
#7 Trained employees.	#7 Public anxiety over homeland security.
#8 Law enforcement partnerships.	#8 Public awareness of agency services.
#9 Emergency preparedness expertise.	#9 Executive, legislative, and public support for increased staffing.
#10 Responsive system of directives.	
#11 Teamwork and organizational synergy.	

Agency Threats	Agency Weaknesses
#1 State budget limitations.	#1 Competitive salaries and benefits.
#2 Unfunded or under funded mandates.	#2 Understaffed patrol and investigative services.
#3 Obsolete communication systems.	#3 Insufficient support and technical personnel.
#4 Aging technology.	#4 Inability to acquire needed technology and equipment.
#5 Traffic Volume Growth.	#5 No comprehensive records management system.
#6 Domestic security.	#6 Aging facilities and infrastructure.



#7 Retention of skilled employees.	#7 Competition for highest quality recruits.
#8 Changing societal work ethic.	
#9 Legislative support impacted by unfamiliarity with agency services.	
#10 Limited or nonexistent infrastructure security.	

## Planning Assumptions

Assumption
#1 The State’s highway system will carry increasingly heavy traffic volume as the state shifts from highway expansion to maintenance of existing roadways due to budget limitations.
#2 Crime related to smuggling of contraband, including humans, drugs, and weapons associated with transnational organized criminal syndicates will continue to significantly influence Arizona’s enforcement priorities.
#3 Homeland security will remain a law enforcement priority.
#4 Arizona’s populated growth will increase demands for understaffed DPS patrol and criminal enforcement services.
#5 Recruitment and retention of skilled, qualified employees will be impacted by changing demographics.
#6 The State budget priorities will limit opportunities for new programs and restrict acquisition and upgrades to law enforcement equipment, technology, and facilities.
#7 Increases in full-time positions and equipment acquisitions will lag behind demand.
#8 A major percentage of the agency’s efforts will be associated with problem solving.
#9 With the State’s population growth, new trends in traffic safety, criminal interdiction, traditional investigation, arrest, incarceration, and support functions will become more complex and increase in number.



## Strategic Issues

### **Issue #1—Maintain employee compensation at market parity in order to recruit and retain high quality personnel.**

While economic factors have contributed to hiring reductions, there is still significant competition for suitable law enforcement candidates and a challenge to retain top quality employees.

The agency's workforce in both law enforcement and support positions necessitates highly skilled employees meeting the most stringent standards. Salaries and benefits have to remain competitive with private industry, government, and other law enforcement agencies to attract qualified candidates and ensure the workforce reflects the citizens we serve.

When hiring resumes, competition for recruits among law enforcement agencies will be particularly fierce. Qualified applicants must be sought to meet public safety responsibilities on more than 6,000 miles of highways, initiate effective criminal investigations, disrupt organized crime, and pursue antismuggling cases. In addition, hiring qualified applicants is critical to addressing the loss of current officers to retirement and career changes.

As the gap between a DPS officer's pay and that at other Arizona law enforcement agencies widens, it impacts the ability to remain competitive and can cause the agency to lose trained, experienced officers to other organizations.

Changing demographics and employee compensation issues also impact retention of skilled employees in support services ranging from information technology, forensic science, engineering, and communications, to facilities design, craftsmen, mechanics, dispatchers, analysts, and administrative personnel.



## **Issue #2—Maintain adequate staffing to keep pace with service demands and emerging public safety issues.**

With Arizona’s population growth, many DPS functions which serve the state are seriously understaffed. Patrol officers are needed to meet the Department’s traffic safety and enforcement responsibilities on an expanding system of urban and rural freeways.

At the same time, challenges arising from immigration issues, smuggling, organized crime, auto theft, criminal activity, homeland security, and gangs are demanding more time and resources from uniformed officers as well as investigators. Sufficient numbers of detectives are essential to address issues involving violent crime, narcotics, white collar investigations, and local support resulting from statutory mandates, multi-jurisdictional enforcement activity, and federal resources being redirected.

A proportionate need exists for support positions necessary to keep Department operations functioning and minimize administrative tasks for sworn employees. Critical agency functions serving the public, such as the Sex Offender Notification Program, the Applicant Clearance Unit, and the DPS Crime Laboratory already have workloads exceeding staff capacity.

The DPS Crime Laboratory’s forensic services alone impact every law enforcement and prosecutorial agency in the state. The rules of criminal procedure have specified periods for laboratory processing with penalties for noncompliance ranging from dismissed charges to the release of criminals if scientific reports are not completed on time. Legislative mandates as well as demands from the public and the courts recognize the vast potential for forensic science to identify criminals and exonerate the wrongfully accused.

Other support functions such as licensing, records, emergency response, and statutorily mandated services have a high liability associated with work products intended to protect the public, and adequate staffing is critical to meet service demands.



### **Issue #3—Maintain essential communication and information systems by taking advantage of current technology.**

The agency currently relies on increasingly outdated information systems for both internal functions and external links with criminal justice agencies. Changing technology and interoperability requirements have made DPS communications and records management systems obsolete.

Many of the DPS information systems consist of mainframe-based technology. The most essential of these systems must be supplemented or replaced to be compatible with new technology using database management, browsers, internet, intranet, and extranet solutions for performing processes. The need for components that can eventually be part of a comprehensive records management program is critical to meeting mandates, legal requirements, and public information expectations. Application of newer technologies will increase efficiency internally as well as allow the agency to better serve the state's criminal justice efforts.

The Department also operates the Arizona Criminal Justice Information System (ACJIS) which links crime information centers in Arizona to other states and the national system operated by the Federal Bureau of Investigation. In recent years, the FBI implemented technological upgrades to enhance the exchange of criminal information and improve criminal record processing. DPS must continue replacing outdated technology used on the state network to enable Arizona agencies to take advantage of the federal enhancements which extend modern crime fighting tools to officers in the field.

Changing requirements, federal regulations, and issues of coverage and interoperability are also making the DPS communication systems obsolete. The September 11<sup>th</sup> terrorist attacks dramatically reinforced the critical need for a statewide interoperable public safety radio system which allows multiple law enforcement agencies and other emergency first responders to communicate directly with each other. Also crucial is the need for a statewide digital microwave system to provide coverage to all areas of the state. Moreover, DPS needs support for its Mobile Data Computer System outside the Phoenix/Tucson corridor. This system allows rural officers to link to the state and national crime information systems and access information on wanted persons, stolen vehicles, and motor vehicle license checks from their patrol cars.



#### **Issue #4—Maintain vehicles, equipment and facilities to adequately support law enforcement services.**

The Department's mission is heavily dependent on vehicles, capital equipment, and facilities.

Vehicles used for patrol, investigations and enforcement operations must be maintained for occupant safety and eventually replaced when obsolete. The vehicle maintenance and replacement program allows the Department to take advantage of improvements in fuel economy, service capability, and reliability.

Mandated services to the criminal justice system such as scientific analysis and air rescue operations require highly specialized equipment with reliable capability. Equipment applications which affect the Department's ability to deliver public services are particularly susceptible to changing technology.

The Department's state-wide operations require facilities ranging from public service locations, to remote housing, area offices, service yards, fuel storage, and evidence facilities. Facility investments are needed to meet statutory mandates and upgrade existing locations to meet changing standards. The department pursues opportunities to help reduce utility costs, comply with environmental requirements, meet federal workplace standards, and address security needs in its efforts to maintain adequate facilities.



## PSA 1.0 Director's Office

<b>Goal 1: Promote Public Safety in Arizona</b>						
Objective 1: Provide law enforcement assistance to local agencies and the criminal justice system						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of multi-agency emergency management meetings, exercises, or training scenarios attended or coordinated	13	12	12	12	12	12

<b>Goal 1: To Promote Public Safety in Arizona</b>						
Objective 1: Provide assistance to local agencies and the criminal justice system						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of customers satisfied with agency services—results derived from an annual survey	90%	85%	85%	85%	85%	85%

<b>Goal 2: To Deliver Exemplary Service</b>						
Objective 1: Provide exceptional customer service						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of sworn selection files processed by HR within 13 weeks from date of polygraph to job offer.	44%	75%	75%	75%	75%	75%
Percent of civilian selection files processed by HR within 5 weeks from date of polygraph to job offer	77%	75%	75%	75%	75%	75%

<b>Goal 2: To Deliver Exemplary Service</b>						
Objective 1: Provide exceptional customer service						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of business days to process public record requests upon receipt of	17	18	18	20	20	20





documents						
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**PSA 1.0 Director’s Office, continued**

Objective 2: Ensure effective administration of agency loss prevention and risk reduction services						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of risk management requirements met for OSHA compliant program	100%	100%	100%	100%	100%	100%
Number of business days to process vehicle claims.	11	15	15	15	15	15

Goal 2: To Deliver Exemplary Service						
Objective 4: Improve employee skills and abilities						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of advanced training courses conducted by Training with a minimum of 10 students—includes courses such as 7 Habits, ARIDE, HGN and DRE.	40	20	20	20	20	20

Goal 3: To Embody the Highest Standards of Integrity and Professionalism						
Objective 1: Attract, train, and retain high quality employees						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of newly hired officers completing probation.	0	75%	75%	75%	75%	75%
Percent of DPS employees that are minorities.	20%	20%	20%	20%	20%	20%
Percent of employees terminating employment (excludes non-DPS task force members and retirements).	4%	5%	5%	5%	5%	5%
Percent of Management Services Bureau employees attending 8 hours of relevant training per year beyond	64%	90%	90%	90%	90%	90%



mandated training.						
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**PSA 1 . 0 Director’s Office, continued**

<b>Goal 3: To Embody the Highest Standards of Integrity and Professionalism</b>						
<b>Objective 2: Improve employee effectiveness and resource utilization</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Number of Director’s communiques to agency to ensure internal communication and employees are kept informed—including Intranet announcements and videos, Director’s Vantage Point articles in the Digest, regional meetings, staff meeting minutes	31	18	18	18	18	18

<b>Goal 3: To embody the highest standards of integrity and professionalism</b>						
<b>Objective 2: Improve employee effectiveness and resource utilization</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Dollar value of federal grants received (in millions)	32.9	31.0	25.4	26.0	26.0	26.0
Dollar value of asset forfeitures on an annual basis (in millions)	5.4	5.5	5.5	5.5	5.5	5.5
Dollar value of Federal stimulus monies received (in millions)	1.9	.04	0	0	0	0
Agency indirect cost rate to deliver services (percent)	11.7	10.0	9.8	9.9	9.9	9.9



## PSA 2 . 1 Highway Patrol

<b>Goal 1: Promote Public Safety in Arizona</b>						
Objective 1: Manage resources to provide for safe and efficient use of the state highways by reducing collision and fatality rates.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
<b>Fatal</b> highway collisions on DPS patrolled roadways	260	257	255	252	250	247
Number of <b>fatal</b> collisions on DPS patrolled roadways relating to impaired drivers	33	33	32	32	32	31
Number of collisions on DPS patrolled roadways relating to impaired drivers	896	887	878	869	861	852
Number of speed related collisions on DPS patrolled roadways	15,024	14,874	14,725	14,578	14,432	14,288
Number of <b>fatal</b> collisions on DPS patrolled roadways related to a contributing cause of inattention or distracted driving	46	46	45	45	44	44
Percent of <b>fatal</b> collisions that are secondary collisions	2.29	2.27	2.24	2.22	2.20	2.18
Percent of total collisions that are secondary collisions	5.7	5.6	5.5	5.5	5.4	5.4
Number of secondary collisions that involve a first responder	81	77	73	69	66	62
Average number of DUI arrests per officer	7.0	8.0	9.0	9.0	10.0	11.0
Average number of citations for restraint use per officer	32	38	46	55	66	79
Average number of citations for speed related violations per officer	178.0	196	215	237	260	287
Average number of citations for hazardous violations per officer	68	75	82	90	99	109
Percent of highway interdiction consent searches resulting in detection of contraband	N/A	17%	18%	19%	20%	21%



**PSA 2 . 1 Highway Patrol, continued**

Objective 2: Provide professional public safety services at the State Capitol and other state property in the Capitol Police jurisdiction						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Average response time to Capitol police emergencies (min:sec)	1:20	1:20	1:20	1:20	1:20	1:20
Number of Uniform Crime Reporting (UCR) Part 1 crimes occurring in the Capitol Mall complex.	45	44.6	44.1	43.7	43.2	42.8

Goal 2: To Deliver Exemplary Service						
Objective 1: Provide community service and public information						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of Capitol Mall stakeholder meetings attended	New	4	4	4	4	4
Number of public outreach events supporting Highway Safety	18	36	36	36	36	36
Percent of new Highway Patrol and Canine officers attending NHTSA based traffic stop training course.		99%	100%	100%	100%	100%



**PSA 2 . 1 Highway Patrol, continued**

<b>Goal 1: Promote Public Safety in Arizona</b>						
Objective 1: Manage resources to provide for safe and efficient use of the state highways by reducing the rate of commercial vehicle collisions.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of <b>fatal</b> commercial vehicles involved collisions on DPS patrolled roadways.	42	41.58	41.16	40.16	40.34	39.94
Number of commercial vehicles involved collisions on DPS patrolled roadways.	1951	1931	1912	1893	1874	1855
Number of fatal commercial vehicles involved and responsible collisions on DPS patrolled roadways.	2121	21	21	20	20	20
Number of commercial vehicle involved and responsible collisions on DPS patrolled roadways.	1,211	1,199	1,187	1,175	1,163	1,152
Average number of Driver Vehicle Examination Reports completed per officer	52,405	55,025	57,776	60,665	63,698	66,883

Objective 2: Protect the public through regulatory functions ensuring statutory requirements for school bus drivers and school buses.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of school busses inspected which are placed out of service	10%	10%	10%	10%	10%	10%



**PSA 2 . 1 Highway Patrol, continued**

Objective 3: Provide law enforcement assistance to local agencies and the criminal justice system.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of Arizona commercial vehicle crashes entered into SafetyNet within 90 days	95%	100%	100%	100%	100%	100%
Percent of Arizona commercial vehicle inspections entered into SafetyNet within 20 days of inspection	88%	100%	100%	100%	100%	100%

<b>Goal 2: To Provide Exemplary Service</b>						
Objective 1: Provide community service and public information						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of pro-active public outreach events related to commercial vehicle highway safety	18	40	40	40	40	40
Number of industry stakeholder events attended which are directed toward commercial vehicle highway safety.	N/A	10	10	10	10	10



## PSA 2 . 3 Aviation

<b>Goal 1: Promote Public Safety in Arizona</b>						
<b>Objective 1: Provide statewide air support for law enforcement operations and transportation</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Percent of helicopter calls for service resulting in an aviation mission	93%	100%	100%	100%	100%	100%
Percent of fixed wing calls for service resulting in a law enforcement emergency transport mission.	99%	100%	100%	100%	100%	100%
Average percent of time helicopter(s) available for service	N/A	40%	40%	40%	40%	40%

<b>Objective 2: Provide statewide air support for critical incidents, highway safety, law enforcement operations and transportation by ensuring timely delivery of fixed wing services</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Average percent of time twin engine aircraft available for service	N/A	75%	75%	75%	75%	75%
Average percent of time single engine aircraft available for service	N/A	75%	75%	75%	75%	75%

<b>Objective 3: Provide statewide proactive utilization of aviation assets to reduce highway accidents.</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Number of enforcement details supported by the fixed wing unit	New	12	12	12	12	12



**PSA 2 . 3 Aviation, continued**

<b>Goal 2: To Provide Exemplary Service</b>						
Objective 1: Provide community service and public information						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of public outreach events participated in	N/A	24	24	24	24	24
Number of training classes (first aid, etc...) provided to first responders	N/A	12	12	12	12	12
Number of internal stakeholder meetings attended by aviation personnel	N/A	6	6	6	6	6

<b>Goal 3: To Embody the Highest Standards of Integrity and Professionalism</b>						
Objective 1: Improve employee proficiency and effectiveness through in-service and job-specific development training and certification.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of helicopter pilots meeting proficiency standards.	N/A	100	100	100	100	100
Percent of paramedics meeting proficiency standards.	N/A	100	100	100	100	100
Percent of helicopter mechanics meeting proficiency standards.	N/A	100	100	100	100	100
Percent of fixed-wind pilots meeting proficiency standards.	N/A	100	100	100	100	100
Percent of fixed-wing mechanics meeting proficiency standards.	N/A	100	100	100	100	100





## PSA 3.0 Criminal Investigations

<b>Goal 1: Promote Public Safety in Arizona</b>						
Objective 1: Provide quality, comprehensive, and timely investigative services to internal and external customers						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of ACTIC tips and leads investigated and resolved within 30 days	50%	90%	90%	90%	90%	90%
Number of multiagency/multibureau gang enforcement operations targeting specific gangs, affected neighborhoods, or fugitive gang members	57	48	48	48	48	48
Number of intrabureau gang enforcement operations targeting specific gangs, affected neighborhoods, or fugitive gang members	45	48	48	48	48	48
Percent of administrative investigations completed within original projected timelines	100%	85%	90%	90%	90%	90%
Number of auto salvage, storage, and auction yards inspected	87	50	50	50	50	50

<b>Objective 2: Protect the public through identification, infiltration, and disruption of organized crime groups</b>						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of illegal gang enterprises identified and prosecuted	32	24	24	24	24	24
Number of human smuggling enterprises	3	1	1	1	1	1



identified and prosecuted						
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Number of financial investigations to identify and seize assets from human smuggling enterprises	12	1	1	1	1	1
Number of financial investigations to identify and seize assets from criminal gang enterprises	14	12	12	12	12	12
Number of chop shop operators identified, dismantled, and prosecuted	52	25	30	30	30	30
Number of illegal drug trafficking organizations identified and prosecuted	14	10	10	10	10	10
Number of financial investigations to identify and seize assets from criminal organizations		23	12	12	12	12

Objective 3: Collect and report crime information and intelligence						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of Crime Information Cards prepared and submitted	1961	1140	0	0	0	0
Number of 28CFR intelligence reports prepared and submitted	508	425	425	425	425	425
Number of Gang Member Identification Cards (GMICs) prepared and submitted	2160	2200	2200	2200	2200	2200
Number of crime information bulletins prepared and distributed	276	300	300	300	300	300

Objective 4: Analyze crime information and produce intelligence products						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of counter-drug assessments produced—	1	1	1	1	1	1



support of local efforts through intelligence initiatives						
Number of statewide threat-assessments produced	2	2	2	2	2	2
Number of cases initiated from intelligence analytical products	12	12	12	12	12	12
Number of Border Violence reports produced	1	12	12	12	12	12
Number of intelligence products produced and disseminated	1,333	300	300	300	300	300

Objective 5: Deploy a comprehensive information management system						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of information management system implementation strategies developed	1	1	1	1	1	1

Objective 6: Enhance capability of criminal information systems and the sharing of information						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of criminal information system enhancements	0	7	1	1	1	1

Goal 2: To Provide Exemplary Service						
Objective 1: Develop a division-wide intelligence information collection plan						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of annual intelligence collection plans developed, validated, and implemented	1	1	1	1	1	1

Objective 2: Support federal, state, and local task forces						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections



Number of SWAT responses to assist criminal justice agencies	102	100	100	100	100	100
Number of fugitives arrested	448	250	250	250	250	250
Number of EOD responses to assist criminal justice agencies	370	300	300	300	300	300
Number of other agency task forces and multi-agency enforcement operations participated in	94	19	19	19	19	19

Objective 3: Maintain participation/cooperation with community organizations						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of community alliance coalitions or community groups participated in—one coalition or group in each county where CID is present	22	20	20	20	20	20

Objective 4: Conduct community outreach						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of gang related, public awareness programs presented	128	120	120	120	120	120
Number of narcotics related public awareness presentations provided	39	20	20	20	20	20

Objective 5: Provide training to other agencies						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of tactical and EOD response training sessions provided	45	24	24	24	24	24
Number of other agency personnel provided with GangNet training	74	100	100	100	100	100



Number of gang training conferences provided	9	4	4	4	4	4
Number of gang liaison officer training programs provided to other agencies	1	2	2	2	2	2

Number of in-service training programs provided for detention liaison officers	1	2	2	2	2	2
Number of gang information officer training seminars provided to other agency detention personnel	4	4	4	4	4	4
Number of VCU training classes provided to other criminal justice agency personnel	4	5	5	5	5	5
Number of computer forensic cases requested for examination	146	144	144	144	144	144
Number of computer forensic training sessions provided to criminal justice agency personnel	9	6	6	6	6	6
Number of multi-agency intelligence sharing meetings facilitated	49	24	24	24	24	24

Objective 6: Implement automated systems for information sharing and efficiency						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Implement the Arizona Records Information and Evidence System (ARIES)	N/A	1	0	0	0	0

Goal 3: To Embody the Highest Standards of Integrity and Professionalism						
Objective 1: Provide training to all Criminal Investigations Division employees						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of CID training matrixes developed	1	1	0	0	0	0
Number of CID personnel attending relevant training, beyond mandated training	405	195	195	195	195	195



Number of employees provided succession training—directed to employees who will be assigned to unique and critical positions, example SIU, SWAT	25	12	12	12	12	12
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## PSA 4.1 Scientific Analysis

Goal 1: Promote Public Safety in Arizona						
Objective 1: Providing scientific analysis services to local law enforcement and criminal justice agencies.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of scientific analysis cases submitted.	63,042	63,354	63,354	64,304	65,268	66,247
Percent of crime lab cases over 30 days old.	6.3%	5.5	5.5	5.0	5.0	4.5
Number of arrestee DNA samples submitted—required under HP2787, 48 <sup>th</sup> Legislature.	4,595	10,000	12,000	12,180	12,362	12,548
Percent of arrestee DNA samples profiled.	67%	80	80	80	80	80
Number of arrestee DNA profiles resulting in CODIS hits	100	200	240	242	246	250

Objective 2: Promote public safety by reducing storage of evidence no longer required for court or investigatory needs.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of evidence disposals conducted annually by the crime laboratory system.	104	108	108	108	108	108

Objective 3: Promote public safety through the timely scientific analysis evidence.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Average number of days required to analyze a blood alcohol submission from evidence receipt to result	31	24	24	21	21	21



delivery.						
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**PSA 4.1 Scientific Analysis, continued**

<b>Goal 2: To Deliver Exemplary Service</b>						
<b>Objective 1: Improve customer service by determining staffing needs in proportion to workload</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Number of workload formulas developed and maintained to ensure adequate staffing for exemplary customer service.	1	1	1	1	1	1

<b>Objective 2: Improve customer service by replacing 20% of the obsolete scientific equipment each fiscal year.</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Percent of obsolete scientific equipment replaces.	20%	5	20	20	20	20

<b>Objective 3: Deliver exemplary service by providing public outreach and education programs</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Presentations given by regional crime laboratories.	59	40	40	40	40	40

<b>Goal 3: To Embody the Highest Standards of Integrity and Professionalism</b>						
<b>Objective 1: Improve employee effectiveness by providing employees with agency in-service training and job-specific development training</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Percent of scientific analysis employees receiving <b>two</b> job-specific training sessions.	71%	75	75	75	75	75
Percent of scientific analysis employees receiving one job-specific training session.	99%	100	100	100	100	100







**PSA 4. 2 Communications , continued**

<b>Goal 1: Promote Public Safety in Arizona</b>						
Objective 1: Protect the public by reducing operational communications response time for 911 calls						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of 911 calls answered by operational communications	170,841	170,000	170,000	170,000	170,000	170,000
Number of administrative calls answered by operational communications	546,818	600,000	600,000	600,000	600,000	600,000
Average percent of 911 calls answered in 10 seconds or less	98%	95%	95%	95%	95%	95%

<b>Goal 2: To Provide Exemplary Service</b>						
Objective 1: Improve customer service by determining staffing needs in proportion to workload						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Develop and maintain a formula based on workload data to ensure adequate staffing for exemplary customer service	7	2	2	2	2	2

Objective 2: Improve customer service by using a scheduled replacement plan for obsolete equipment, computers, and technology as the basis for fiscal requests						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of replacement schedule plans developed and implemented for obsolete equipment, computers, and technology	1	1	1	1	1	1



**PSA 4. 2 Communications, continued**

Objective 3: Improve customer service using a scheduled replacement program for obsolete equipment						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of portable radios replaced	265	100	100	100	100	100
Number of mobile radios replaced	75	250	75	75	75	75
Number of base stations replaced	10	5	5	5	5	5

Objective 4: Enhance service to sworn officers by ensuring open communication with Operational Communications						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of squad, district, or commander meetings attended by a representative of Operational Communications	17	30	30	30	30	30

<b>Goal 3: To Embody the Highest Standards of Integrity and Professionalism</b>						
Objective 1: Improve employee effectiveness by providing employees with agency in-service training and job-specific development training						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of Wireless Systems Bureau employees attending a one job specific training class	108	95%	95%	95%	95%	95%



**PSA 4. 2 Communications, continued**

Goal 3 - Objective 2: Improve employee effectiveness and operational communication services through infrastructure support to microwave, interoperable radio, and mobile data systems						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of Narrow Banding Project completed	41%	100%	-	-	-	-
Digital microwave paths installed and activated	4	3	2	2	2	2
Number of microwave sites upgraded	3	1	1	1	1	1



## PSA 4 . 3 Logistical Support

<b>Goal 1: Promote Public Safety in Arizona</b>						
Objective 1: Promote public safety in Arizona by providing technical support service to local law enforcement and criminal justice agencies.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent ACJIS system availability .	99.2%	99.8	99.8	99.8	99.8	99.8

<b>Goal 2: To Deliver Exemplary Service</b>						
Objective 1: Improve customer service by determining staffing needs in proportion to workload.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of workload formulas developed and maintained to ensure adequate staffing for exemplary customer service.	2	2	2	2	2	2

Objective 3: Improve customer service by providing information technology users with timely support.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of legacy applications converted through refreshed technology.	1	2	2	2	2	2
Number of manual processes converted through refreshed technology.	1	4	4	4	4	4
Average number of PC support work orders over 30 days old.	57	45	35	35	35	35
Average number of Application Development DPSR more than 60 days old.	19	30	30	30	30	30



**PSA 4 . 3 Logistical Support, continued**

<b>Goal 2 To Deliver Exemplary Service</b>						
<b>Objective 5: Improved customer service by ensuring vehicles are modified within a timely manner.</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Percent of vehicle modifications requests completed within 30 days of receipt.	66%	33	66	80	80	80

<b>Objective 6: Improve customer service by providing timely completion of capital and accountable equipment transfers generated by employee transfers or termination.</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Average number of days to process capital equipment transfers in the KAPO and Accountable system.	58	60	45	30	30	30

<b>Objective 7: Maintain building and fixture conditions to augment operations.</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Annual dollar amount spent toward ADOA recommended building renewal maintenance system.	649,000	720,000	250,000	500,000	1M	1M
Percent of building maintenance work orders completed within 30 days.	55%	50%	66%	80%	80%	80%
Develop and implement a facilities maintenance plan.	1	0	1	1	1	1



**PSA 4 . 3 Logistical Support, continued**

<b>Goal 3: To Embody the Highest Standards of Integrity and Professionalism</b>						
<b>Objective 1: Improve employee effectiveness by providing employees with agency in-service training and job-specific development training.</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Percent of information technology attending a job-specific training session.	20%	40	50	50	50	50

<b>Objective 2: Improve employee effectiveness and resource utilization through efficiencies and technology.</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Number of forms converted or modified to document imaging.	49	40	50	60	60	50
Percent of Facilities computerized maintenance management system implemented.	90%	100%	-	-	-	-



## PSA 4.4 Criminal Information and Licensing

<b>Goal 1: Promote Public Safety in Arizona</b>						
<b>Objective 1: Promote public safety and improve quality of life for residents by enforcing sex offender registration requirements</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Percent of all registered sex offender files verified annually	92%	90%	90%	90%	90%	90%
Percent of all registered sex offender files queried annually for address verifications	100%	100%	100%	100%	100%	100%

<b>Objective 2: Promote public safety by expanding law enforcement access to fingerprint and criminal history records</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Average number of days to process an arrest disposition	1.2	2.0	2.0	2.0	2.0	2.0

<b>Objective 3: Enhance capability of criminal information systems and the sharing of information</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Percent of identities verified through fingerprint searches using the MetaMorpho system upgrade	93%	90%	90%	90%	90%	90%

<b>Objective 4: Enhance capability of criminal information systems and the sharing of information</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Number of security guard agencies audited annually	40	44	44	48	48	48
Number of open security guard and private investigator complaints exceeding 90 days from receipt to final disposition—calculated based on the average of four quarters	81	0	0	0	0	0



per fiscal year						
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**PSA 4.4 Criminal Information and Licensing, continued**

Number of non-criminal justice agency audits conducted annually	3	25	50	60	75	90
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Objective 4: Enhance capability of criminal information systems and the sharing of information						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of security guard agencies audited annually	40	44	44	48	48	48
Number of open security guard and private investigator complaints exceeding 90 days from receipt to final disposition—calculated based on the average of four quarters per fiscal year	81	0	0	0	0	0
Number of non-criminal justice agency audits conducted annually	3	25	50	60	75	90

Goal 2: To Provide Exemplary Service						
Objective 1: Improve customer service by determining staffing needs in proportion to workload						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Develop and maintain a formula based on workload data to ensure adequate staffing for exemplary customer service	7	7	7	7	7	7





**PSA 4.4 Criminal Information and Licensing, continued**

Objective 2: Improve customer service by providing timely response to public records, criminal history, and license requests						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of Automated Fingerprint Identification System (AFIS) reliability	99.5%	99%	99%	99%	99%	99%
Average number of days to process a clearance card when applicant has NO criminal record	32	25	20	15	10	5
Average number of days to process a clearance card when applicant HAS a criminal record	61	50	45	40	35	30
Average number of days to process a criminal records check and provide the results	15	12	8	6	4	3
Average number of days to process a concealed weapons permit when research is required—tracking is from the date the application is received to the date the permit was issued or denied.	26	26	26	26	26	26
Average number of days to process a concealed weapons permit when no research is required—tracking is from the date the application is received to the date the permit was issued.	21	21	21	21	21	21

Goal 2 - Objective 3: Implement automated systems for information sharing and efficiency						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of criminal justice agencies transitioned to the Arizona Disposition Reporting System	8	10	10	15	15	20



<b>Goal 3: To Embody the Highest Standards of Integrity and Professionalism</b>						
<b>Objective 1: Improve employee effectiveness by providing employees with development training.</b>						
<b>Performance Measurements</b>	<b>FY 2012 Actuals</b>	<b>FY 2013 Projections</b>	<b>FY 2014 Projections</b>	<b>FY 2015 Projections</b>	<b>FY 2016 Projections</b>	<b>FY 2017 Projections</b>
Percent of employees attending 8 hours of relevant training per year.	N/A	30	50	50	50	50



## PSA 5 . 0 Arizona Peace Officer Standards and Training

<b>Goal 1: To develop, implement, and update standards for the selection, retention, and training of peace officers and corrections officers.</b>						
Objective 1: Review in-depth and update 33% of the existing curricula in the law enforcement and corrections basic courses.						
Performance Measurements:	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of curricula review completed.	33	33	33	33	33	33

<b>Goal 1:</b>						
Objective 2: Review and update model lesson plans covering 100% of the existing law enforcement basic course topics and performance objectives.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of model lesson plans developed, reviewed, updated and distributed to academies	100	100	100	100	100	100
Percent of academies utilizing over 80% of model lesson plans	N/A	N/A	N/A	N/A	N/A	N/A
Establish a system to monitor field training officer satisfaction with academy training programs.	N/A	N/A	N/A	N/A	N/A	N/A
Percent increase in field training officer satisfaction with academy training programs.						



**PSA 5 . 0 Arizona Peace Officer Standards and Training, continued**

<b>Goal 1:</b>						
Objective 3: Ensure 100% of Arizona law enforcement academies use POST standardized exams.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of academies using standardized competence examinations.	100	100	100	100	100	100

<b>Goal 1:</b>						
Objective 4: Review and update, if necessary, 100% of POST administrative rules governing the minimum standards and training requirements for peace officers and corrections officers.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of administrative rules reviewed.	100	100	100	100	100	100



**PSA 5 . 0 Arizona Peace Officer Standards and Training, continued**

<b>Goal: 2</b>						
<b>To promote and uniformly enforce compliance with the standards prescribed for peace officers and corrections officers.</b>						
<b>Objective 1: Complete new hire compliance audits in less than 30 days.</b>						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Days required to conduct new hire audits.	33	30	30	30	30	30
New hires.	843	925	1000	1050	1100	1150
Peace officers requiring basic training.	560	614	664	750	1000	1000
Peace officers via waiver testing.	48	53	57	60	65	70
Agencies to be audited.	170	171	171	171	172	172
Certified peace officers.	14736	14900	15100	15250	15000	15600
Corrections officers.	6129	6200	6250	6300	6300	6400
New hire minimum qualification compliance audits conducted (includes officers moving from one agency to another).	949	1025	1100	1200	1400	1400

<b>Goal: 2</b>						
<b>Objective 2: Maintain a rate of law enforcement agency non-compliance with minimum standards for peace officers of less than 10%.</b>						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of agencies in non-compliance.	11.1	10	10	10	10	10

<b>Goal: 2</b>						
<b>Objective 3: Audit 50% of the basic academies.</b>						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Academy audits completed.	1	4	4	4	5	5



**PSA 5 . 0 Arizona Peace Officer Standards and Training, continued**

<b>Goal: 2</b>						
Objective 4: Complete decertification investigations for presentation to the board in 100 days.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Days to complete decertification investigations.	173	165	135	100	100	100

<b>Goal 3: To recommend curricula and promote advanced law enforcement courses in universities and colleges in conjunction with their governing bodies.</b>						
Objective 1: Increase the number of law enforcement courses qualifying for both POST and college training credits.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Administration of Justice programs giving credit for POST training.	12	12	12	12	12	12
POST courses qualifying for college credit.	17	17	17	17	17	17
College courses qualifying for POST mandated training credit.	733	733	733	730	730	730

<b>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.</b>						
Objective 1: Increase the number of partnerships which optimize training fund expenditures through intergovernmental agreements by 5 percent each year.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Intergovernmental agreements and partnerships	24	30	30	25	25	25



**PSA 5 . 0 Arizona Peace Officer Standards and Training, continued**

<b>Goal 4:</b>						
Objective 2: Obtain public sector grant funding to equal 2% of annual CJEF revenues.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Revenues received from public sources (\$ thousands)	0	0	100	110	110	110

<b>Goal 4:</b>						
Objective 3: Find practical and sensible ways to improve customer service, reduce costs, and eliminate duplication.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Efficiency review ideas received.	25	25	35	35	35	35
Efficiency review ideas considered for implementation.	25	25	35	35	35	35

<b>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.</b>						
Objective 1: Increase the number of instructors teaching POST-sponsored training programs.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Qualified instructors teaching POST programs.	300	300	300	300	300	300

<b>Goal 5:</b>						
Objective 2: Increase the number of POST provided Train-the-Trainer programs.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Train-the-trainer programs provided to agencies.	18	20	25	25	30	35



**PSA 5 . 0 Arizona Peace Officer Standards and Training, continued**

<b>Goal 5:</b>						
Objective 3: The number of peace officers attending POST-provided, in-service training programs qualifying for mandated training credit.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Calendar School Programs presented by POST and the Community Policing Institute.	110	110	120	120	125	125
Attendees of Calendar Schools.	3503	3600	3700	3700	3800	3800

<b>Goal 5:</b>						
Objective 4: Improve training consistency in key topics of statewide applicability through distance learning programs.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
DVD training programs produced. In FY 06, DVD training programs replaced satellite telecourse	6	6	8	8	8	10
Percent of participants in DVD training programs.	60	60	60	75	75	75

<b>Goal 5:</b>						
Objective 5: Improve the consistency of training materials provided by establishing a Training Resource Bulletin Board System containing 50% of the POST model curricula.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of POST model curricula available via resource bulletin board.	0	0	25	50	75	100





**PSA 5 . 0 Arizona Peace Officer Standards and Training, continued**

<b>Goal 5:</b>						
Objective 6: Maintain a computer-based training capacity.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Number of students participating in interactive web-based training program.	25,126	26,000	30,000	30,000	30,000	30,000

<b>Goal 5:</b>						
Objective 7: Conduct a comprehensive review and revision of 100% of the instructor training programs and materials for high risk, high liability topics and revise as needed.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of high-risk, high liability topics reviewed.	100	100	100	100	100	100

<b>Goal 5:</b>						
Objective 8: Conduct a comprehensive review of 25% of the train-the-trainer, specialty, and regional training programs and materials and revise as needed.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of train-the-trainer, specialty, and regional training programs reviewed.	66	66	66	66	66	66

<b>Goal 5:</b>						
Objective 9: Maintain high approval levels for POST services.						
Performance Measurements	FY 2012 Actuals	FY 2013 Projections	FY 2014 Projections	FY 2015 Projections	FY 2016 Projections	FY 2017 Projections
Percent of in-service programs achieving an overall evaluation of 8.0 or better.	96	95	95	95	95	95
Percent of Agency CEOs rating overall POST services as 7.0 or greater.	N/A	N/A	90	90	90	90

## Agency Summary

### DEPARTMENT OF PUBLIC SAFETY

Robert C. Halliday, Director  
 Phone: (602) 223-2359  
 A.R.S. §§41-1711 to 41-1794

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ DIRECTOR'S OFFICE	24,627.7	25,492.2	26,802.5	27,975.0
➤ HIGHWAY PATROL	115,000.1	123,223.8	132,588.3	140,472.3
➤ CRIMINAL INVESTIGATIONS	60,098.0	59,948.8	59,489.0	63,152.8
➤ TECHNICAL SERVICES	81,780.0	86,466.7	89,902.0	92,455.6
➤ ARIZONA PEACE OFFICER STANDARDS AND TRAINING	6,884.9	8,361.1	7,098.1	7,234.8
<b>Agency Total:</b>	<b>288,390.7</b>	<b>303,492.6</b>	<b>315,879.9</b>	<b>331,290.5</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	19,447.3	45,524.0	64,317.8	79,570.4
Other Appropriated Funds	199,740.7	182,715.4	187,082.8	187,420.4
Other Non Appropriated Funds	69,202.7	75,253.2	64,479.3	64,299.7
<b>Total Funding</b>	<b>288,390.7</b>	<b>303,492.6</b>	<b>315,879.9</b>	<b>331,290.5</b>
<b>FTE Positions</b>	<b>2,439.6</b>	<b>2,189.7</b>	<b>2,197.7</b>	<b>2,197.7</b>

**Program Summary**

DIRECTOR'S OFFICE

Dennis F. Young, Deputy Director  
 Phone: (602) 223-2080  
 A.R.S. §§ 41-1713, 41-1749

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	2,820.0	3,874.3	4,928.6
Other Appropriated Funds	15,210.9	12,274.6	12,274.6	12,274.6
Other Non Appropriated Funds	9,416.8	10,397.6	10,653.6	10,771.8
<b>Total Funding</b>	<b>24,627.7</b>	<b>25,492.2</b>	<b>26,802.5</b>	<b>27,975.0</b>
<b>FTE Positions</b>	<b>143.5</b>	<b>150.0</b>	<b>150.0</b>	<b>150.0</b>

◆ **Goal 1** To promote public safety in Arizona

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of multi-agency emergency-management meetings, exercises, or training scenarios attended or coordinated.	25	12	13	12	12	12

◆ **Goal 2** To deliver exemplary service

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent customers satisfied with agency services.	100	85	90	85	85	85

**Explanation:** Note: Based on annual survey.

Percent of sworn selection files processed by Human Resources within 13 weeks from date of polygraph to job offer.	100	75	44	75	75	75
Percent of civilian selection files processed by Human Resources within 5 weeks from date of polygraph to job offer.	56	70	77	75	75	75
Number of business days to process public record requests upon receipt of documents.	15.6	15	17	18	18	20
Percent of risk management requirements met for OSHA compliant program.	100	100	100	100	100	100
Number of business days to process vehicle claims.	11.62	30	11	15	15	15

**Explanation:** Measure changed in FY13.

Number of advanced training courses conducted with a minimum of ten students.	0	0	40	20	20	20
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**Explanation:** Moved from Highway Patrol to the Office of the Director in FY13.

◆ **Goal 3** To embody the highest standards of integrity and professionalism

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of DPS newly hired officers successfully completing probation.	N/A	75	N/A	75	75	75

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
<b>Explanation:</b> Note: Due to hiring freeze, no new hires on probation on FY12.						
Percent of DPS employees that are minorities.	19.3	20	20	20	20	20
Percent of employees terminating employment (excludes non- Department of Public Safety task force members and retirements)	3.26	5.0	4	5	5	5
<b>Explanation:</b> Percent of employees terminating employment (excludes non-Department of Public Safety task force members).						
Percent of Management Services Bureau employees attending 8 hours of relevant training per year beyond mandated training.	0	90	64	90	90	90
<b>Explanation:</b> New measure in FY12.						
Number of Director's communiqués to agency to ensure internal communication and employees are kept informed.	8	12	31	18	18	18
Dollar value of federal grants received (in millions).	47.2	23	32.9	31	25.4	26
Dollar value of asset forfeitures on an annual basis (in millions).	8.1	4	5.4	5.5	5.5	5.5
Dollar value of Federal Stimulus monies received (in millions).	2.7	0	1.9	.04	0	0
<b>Explanation:</b> This measure terminates at the end of FY13.						
Agency indirect cost rate to deliver services (percent).	11.5	11.3	11.7	10	9.8	9.8
<b>Explanation:</b> Note: Beginning with the FY2011 Actual figure, the methodology for calculating the indirect cost rate was changed from the negotiated federal indirect cost rate to OSPB's administrative cost formula.						

**Program Summary**

HIGHWAY PATROL

James E. McGuffin, Assistant Director  
 Phone: (602) 223-2348  
 A.R.S. §§ 41-1711 et. seq.

**This Program Contains the following Subprograms:**

- ▶ Patrol
- ▶ Commercial Vehicle Enforcement
- ▶ Aviation

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	5,641.4	13,120.8	20,600.2
Other Appropriated Funds	96,455.4	97,654.7	101,219.1	101,623.7
Other Non Appropriated Funds	18,544.7	19,927.7	18,248.4	18,248.4
<b>Total Funding</b>	<b>115,000.1</b>	<b>123,223.8</b>	<b>132,588.3</b>	<b>140,472.3</b>
<b>FTE Positions</b>	<b>1,156.5</b>	<b>1,012.0</b>	<b>1,012.0</b>	<b>1,012.0</b>

**Subprogram Summary**

PATROL

James McGuffin, Assistant Director  
 Phone: (602) 223-2348  
 A.R.S. §§ 41-1711 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	2,028.1	8,216.6	14,405.0
Other Appropriated Funds	81,657.2	84,258.0	87,822.4	88,227.0
Other Non Appropriated Funds	8,061.9	9,245.7	8,387.6	8,387.6
<b>Total Funding</b>	<b>89,719.1</b>	<b>95,531.8</b>	<b>104,426.6</b>	<b>111,019.6</b>
<b>FTE Positions</b>	<b>954.5</b>	<b>798.0</b>	<b>798.0</b>	<b>798.0</b>

◆ **Goal 1** To promote public safety in Arizona

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Fatal highway collisions on Department of Public Safety patrolled roads	212	205	260	257	255	252
Number of fatal collisions on DPS patrolled roadways relating to impaired drivers.	19	31	33	33	32	32
Number of fatal collisions on DPS patrolled roadways related to a contributing cause of "inattention" or distracted driving.	47	49	46	46	45	45
Number of collisions on DPS patrolled roadways relating to impaired drivers.	0	0	896	887	878	869

**Explanation:** New measure in FY13.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of speed related collisions on DPS patrolled roadways.	0	0	15,024	14,874	14,725	14,578
<b>Explanation:</b> New measure in FY13.						
Percent of fatal collisions that are secondary collisions.	0	0	2.29	2.27	2.24	2.22
<b>Explanation:</b> New measure in FY13.						
Percent of total collisions that are secondary collisions.	0	0	5.7	5.6	5.5	5.5
<b>Explanation:</b> New measure in FY13.						
Number of secondary collisions that involve a first responder.	0	0	81	77	73	69
<b>Explanation:</b> New measure in FY13.						
Average number of citations for restraint use per officer.	0	0	32	38.0	46	55
<b>Explanation:</b> New measure in FY13.						
Average number of citations for speed related violations per officer.	0	0	178.0	196	215	237
<b>Explanation:</b> New measure in FY13.						
Average number of citations for hazardous violations per officer.	0	0	68	75	82	90
<b>Explanation:</b> New measure in FY13.						
Percent of highway interdiction consent searches resulting in detection of contraband.	0	0	N/A	17	18	19
<b>Explanation:</b> New measure in FY13.						
Average number of driving under the influence (DUI) arrests per officer.	0	0	7	8	9	9
<b>Explanation:</b> New measure in FY13.						
Average response time to Capitol Police emergence calls (minutes:seconds).	0	1:35	1:20	1:20	1:20	1:20
<b>Explanation:</b> Note: New PM in FY12 resulting from Capitol Police transfer from ADOA to ADPS.						
Number of Uniform Crime Reporting (UCR) part one crimes occurring within the Capitol Mall Complex.	0	50	45	45	44	44
<b>Explanation:</b> Note: New measure in FY12 resulting from Capitol Police transfer from ADOA to ADPS.						
◆ <b>Goal 2</b> To deliver exemplary service						
Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of capitol mall stakeholder meetings attended.	0	0	N/A	4	4	4
<b>Explanation:</b> New measure in FY13.						

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of public outreach events supporting highway safety.	0	0	18	36	36	36

◆ **Goal 3** To embody the highest standards of integrity and professionalism

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of new highway patrol and canine officers attending NHTSA-based traffic stop training course.	0	0	99	100	100	100

**Explanation:** Moved from FY12 Goal 2.

<b>Subprogram Summary</b>						
<b>COMMERCIAL VEHICLE ENFORCEMENT</b>						
James McGuffin, Assistant Director						
Phone: (602) 223-2348						
A.R.S. §§ 41-1711 et. seq.						

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	0.0	0.0	843.7	1,687.5
Other Appropriated Funds	8,748.2	10,430.8	10,430.8	10,430.8
Other Non Appropriated Funds	10,413.7	10,672.0	9,850.8	9,850.8
<b>Total Funding</b>	<b>19,161.9</b>	<b>21,102.8</b>	<b>21,125.3</b>	<b>21,969.1</b>
<b>FTE Positions</b>	<b>144.0</b>	<b>164.0</b>	<b>164.0</b>	<b>164.0</b>

◆ **Goal 1** To promote public safety in Arizona

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of fatal commercial vehicle involved collisions on DPS patrolled roadways.	29	34	42	41.58	41.16	40.16
Number of commercial vehicle involved collisions on DPS patrolled roadways.	0	0	1,951	1,931	1,912	1,893

**Explanation:** New measure in FY13.

Number of fatal commercial vehicle involved and responsible collisions on DPS patrolled roadways.	0	0	21	21	20	20
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**Explanation:** New measure in FY13..

Number of commercial vehicle involved and responsible collisions on DPS patrolled roadways.	0	0	1,211	1,199	1,187	1,175
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**Explanation:** New measure in FY13.

Average number of Driver Vehicle Examination Reports completed per officer.	0	0	52,405	55,025	57,776	60,665
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**Explanation:** New measure in FY13.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of school buses inspected which are placed out of service.	0	0	10	10	10	10
<b>Explanation:</b> New measure in FY13.						
Percent of Arizona commercial vehicle crashes entered into SafetyNet within 90 days.	85	100	95	100	100	100
Percent of Arizona commercial vehicle inspections entered into SafetyNet within 20 days of inspection.	93	100	88	100	100	100

◆ **Goal 2** To deliver exemplary service.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of proactive public outreach events related to commercial vehicle highway safety.	0	0	18	40	40	40
<b>Explanation:</b> New measure in FY13.						
Number of industry stakeholder events attended which are directed toward commercial vehicle highway safety.	0	0	10	10	10	10

**Explanation:** New measure in FY13.

<b>Subprogram Summary</b>	
AVIATION	
James McGuffin, Assistant Director	
Phone: (602) 223-2348	
A.R.S. §§ 28-240, 41-1834	

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	3,613.3	4,060.5	4,507.7
Other Appropriated Funds	6,050.0	2,965.9	2,965.9	2,965.9
Other Non Appropriated Funds	69.1	10.0	10.0	10.0
<b>Total Funding</b>	<b>6,119.1</b>	<b>6,589.2</b>	<b>7,036.4</b>	<b>7,483.6</b>
<b>FTE Positions</b>	<b>58.0</b>	<b>50.0</b>	<b>50.0</b>	<b>50.0</b>

◆ **Goal 1** To promote public safety in Arizona

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of helicopter calls for service resulting in an aviation mission.	92	100	93	100	100	100
Percent of fixed wing calls for service resulting in a law enforcement emergency transport mission.	75	100	99	100	100	100
Average percent time helicopter(s) available for service.	0	0	N/A	40	40	40

**Explanation:** New measure in FY13.



Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Average percent of time twin-engine aircraft available for service.	0	0	N/A	75	75	75
<b>Explanation:</b> New measure in FY13.						
Average percent of time single-engine aircraft available for service.	0	0	N/A	75	75	75
<b>Explanation:</b> New measure in FY13.						
Number of enforcement details supported by the fixed-wing unit.	0	0	N/A	12	12	12
<b>Explanation:</b> New measure in FY13.						
<b>◆ Goal 2</b> To provide exemplary service						
Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of public outreach events participated in.	0	0	N/A	24	24	24
<b>Explanation:</b> New measure in FY13.						
Number of training classes provided to first responders.	0	0	N/A	12	12	12
<b>Explanation:</b> New measure in FY13.						
Number of internal stakeholder meetings attended by aviation personnel.	0	0	N/A	6	6	6
<b>Explanation:</b> New measure in FY13.						
<b>◆ Goal 3</b> To embody the highest standards of integrity and professionalism.						
Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of helicopter pilots meeting proficiency standards.	0	0	N/A	100	100	100
<b>Explanation:</b> New measure in FY13.						
Percent of paramedics meeting proficiency standards.	0	0	N/A	100	100	100
<b>Explanation:</b> New measure in FY13.						
Percent of helicopter mechanics meeting proficiency standards.	0	0	N/A	100	100	100
<b>Explanation:</b> New measure in FY13.						
Percent of fixed-wing pilots meeting proficiency standards.	0	0	N/A	100	100	100
<b>Explanation:</b> New measure in FY13.						
Percent of fixed-wing mechanics meeting proficiency standards.	0	0	N/A	100	100	100
<b>Explanation:</b> New measure in FY13.						

**Program Summary**

**CRIMINAL INVESTIGATIONS**

Timothy E. Chung, Assistant Director  
 Phone: (602) 223-2812  
 A.R.S. §§ 41-1761 et. seq.

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	19,447.3	28,761.5	32,662.3	36,563.1
Other Appropriated Funds	25,950.5	16,936.4	16,936.4	16,936.4
Other Non Appropriated Funds	14,700.2	14,250.9	9,890.3	9,653.3
<b>Total Funding</b>	<b>60,098.0</b>	<b>59,948.8</b>	<b>59,489.0</b>	<b>63,152.8</b>
<b>FTE Positions</b>	<b>471.3</b>	<b>383.7</b>	<b>383.7</b>	<b>383.7</b>

◆ **Goal 1** To promote public safety in Arizona.

<b>Performance Measures</b>	<b><u>FY 2011 Actual</u></b>	<b><u>FY 2012 Estimate</u></b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
Percent of ACTIC tips and leads investigated and resolved within 30 days.	92.9	90	50	90	90	90
Number of multi-agency/multi-bureau gang enforcement operations targeting specific gangs, affected neighborhoods, or fugitive gang members.	34	12	57	12	48	48
Number of intra-bureau gang enforcement operations targeting specific gangs, affected neighborhoods, or fugitive gang members.	57	48	45	48	48	48
Percent of administrative investigations completed within original projected timelines.	80	80	100	85	90	90
Number of auto salvage, storage, and auction yards inspected.	39	40	87	40	50	50
Number of illegal gang enterprises identified and prosecuted.	20	11	32	11	24	24
Number of human smuggling enterprises identified and prosecuted.	15	6	3	6	1	1
Number of financial investigations to identify and seize assets from human smuggling enterprises.	11	12	12	1	1	1
Number of financial investigations to identify and seize assets from criminal gang enterprises.	9	4	14	4	12	12
Number of chop shop operators identified, dismantled, and prosecuted.	28	25	52	25	30	30
Number of illegal drug trafficking organizations identified and prosecuted.	21	20	14	20	10	10
Number of financial investigations to identify and seize assets from criminal organizations.	23	6	23	6	12	12
Number of Crime Information Cards prepared and submitted.	1,532	2,550	1,961	2,550	0	0
Number of 28CFR intelligence reports prepared and submitted.	400	425	508	425	425	425
Number of Gang Member Identification Cards (GMICs) prepared and submitted.	2,238	2,200	2,160	2,200	2,200	2,200

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of crime information bulletins prepared and distributed.	962	324	276	324	300	300
Number of counter-drug assessments produced.	1	1	1	1	1	1
<b>Explanation:</b> Note: These assessments define the drug trafficking environment.						
Number of statewide threat-assessments produced.	0	2	2	2	2	2
Number of cases initiated from intelligence analytical products.	94	12	12	12	12	12
Number of Border Violence Reports produced.	4	4	1	4	12	12
Number of intelligence products produced and disseminated.	1,226	50	1,333	50	300	300
Number of information management system implementation strategies developed.	0	1	1	1	1	1
Number of criminal information system enhancements.	0	0	0	7	1	1

**Explanation:** New measure in FY13.

◆ **Goal 2** To provide exemplary service.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of annual intelligence collection plans developed, validated, and implemented.	0	1	1	1	1	1
Number of SWAT responses to assist criminal justice agencies.	128	100	102	100	100	100
<b>Explanation:</b> Note: Number of responses to police situations involving the use of special weapons or tactics, explosives, dangerous materials or high risk activity.						
Number of fugitives arrested.	425	150	448	150	250	250
Number of EOD responses to assist criminal justice agencies.	358	300	370	300	300	300
Number of other agency task forces and multi-agency enforcement operations participated in.	71	22	94	22	19	19
Number of community alliance coalitions or community groups participated in.	15	5	22	5	20	20
<b>Explanation:</b> Note: One coalition or group in each county where DPS CID is present.						
Number of gang-related, public awareness programs presented.	145	105	128	105	120	120
Number of narcotics-related public awareness presentations provided.	29	20	39	20	20	20
Number of tactical and EOD response training sessions provided.	84	24	45	24	24	24
Number of other agency personnel provided with GangNet training.	177	100	74	100	100	100
Number of gang training conferences provided.	2	2	9	2	4	4
Number of gang liaison officer training programs provided to other agencies.	2	4	1	4	2	2
Number of in-service training programs provided for detention liaison officers.	2	2	1	2	2	2

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of gang information officer training seminars provided to other agency detention personnel.	6	4	4	4	4	4
Number of VCU training classes provided to other criminal justice agency personnel.	11	5	4	5	5	5
Number of computer forensic cases requested for examination.	198	150	146	150	144	144
Number of computer forensic training sessions provided to criminal justice agency personnel.	15	10	9	10	6	6
Number of multi-agency intelligence sharing meetings facilitated.	40	22	49	22	24	24
Implement the Arizona Records Information and Evidence System (ARIES).	0	0	0	1	N/A	N/A

**Explanation:** New measure in FY13. Expected to complete in FY13.

◆ **Goal 3** To embody the highest standards of integrity and professionalism.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of CID training matrixes developed.	0	1	1	1	0	0
Number of CID personnel attending relevant training, beyond mandated training.	441	195	405	195	195	195
Number of employees provided succession training.	17	8	25	8	12	12

**Explanation:** Note: Training to be provided to employees who will be assigned to unique and critical positions (SIU, SWAT, etc.).

**Program Summary**

TECHNICAL SERVICES

Jeffrey E. Raynor, Assistant Director  
 Phone: (602) 223-2400  
 A.R.S. §§ 41-1711, 41-1712, 41-1750

**This Program Contains the following Subprograms:**

- ▶ Scientific Analysis
- ▶ Communications
- ▶ Logistical Support
- ▶ Criminal Information and Licensing

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	8,301.1	14,660.4	17,478.5
Other Appropriated Funds	62,123.9	55,849.7	56,652.7	56,585.7
Other Non Appropriated Funds	19,656.1	22,315.9	18,588.9	18,391.4
<b>Total Funding</b>	<b>81,780.0</b>	<b>86,466.7</b>	<b>89,902.0</b>	<b>92,455.6</b>
<b>FTE Positions</b>	<b>645.3</b>	<b>619.0</b>	<b>627.0</b>	<b>627.0</b>

**Subprogram Summary**

SCIENTIFIC ANALYSIS

Jeffrey E. Raynor, Assistant Director  
 Phone: (602) 223-2400  
 A.R.S. §§ 41-1761 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	2,772.4	3,788.9
Other Appropriated Funds	17,428.0	17,670.6	18,370.6	18,370.6
Other Non Appropriated Funds	4,595.8	5,364.5	4,351.6	4,154.1
<b>Total Funding</b>	<b>22,023.8</b>	<b>23,035.1</b>	<b>25,494.6</b>	<b>26,313.6</b>
<b>FTE Positions</b>	<b>178.3</b>	<b>168.0</b>	<b>174.0</b>	<b>174.0</b>

◆ **Goal 1** To promote public safety in Arizona

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of scientific analysis cases submitted.	64,058	65,482	63,042	63,354	63,354	63,304
Percent of crime lab cases over 30 days old	5.65	5.5	6.3	5.5	5.5	5.0
Number of arrestee DNA samples submitted.	4,482	12,000	4,595	10,000	12,000	12,180
Percent of arrestee DNA samples profiled.	100	80	67	80	80	80
Number of arrestee DNA profiles resulting in CODIS hits.	52	50	100	200	240	242
Number of evidence disposals conducted annually by the Crime Laboratory system.	150	108	104	108	108	108
Average number of days required to analyze a blood alcohol submission from evidence receipt to result delivery.	25.3	24	31	24	24	24

◆ **Goal 2** To provide exemplary service.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of workload formulas developed and maintained to ensure adequate staffing for exemplary customer service.	1	1	1	1	1	1
Percent of obsolete scientific equipment replaced.	20.2	20	20	5	20	20
Presentations given by regional crime laboratories.	63	32	59	40	40	40

◆ **Goal 3** To embody the highest standards of integrity and professionalism.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of scientific analysis employees receiving one job-specific training session.	100	100	99	100	100	100
Percent of scientific analysis employees receiving two job-specific training sessions.	81	75	71	75	75	75

**Subprogram Summary**

COMMUNICATIONS

Jeffrey E. Raynor, Assistant Director  
 Phone: (602) 223-2400  
 A.R.S. §§ 41-1713, 41-1749

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	0.0	2,472.4	5,003.8	5,749.9
Other Appropriated Funds	14,070.0	14,040.1	14,143.1	14,246.1
Other Non Appropriated Funds	2,414.5	2,619.4	107.0	107.0
<b>Total Funding</b>	<b>16,484.5</b>	<b>19,131.9</b>	<b>19,253.9</b>	<b>20,103.0</b>
<b>FTE Positions</b>	<b>172.0</b>	<b>158.0</b>	<b>160.0</b>	<b>160.0</b>

◆ **Goal 1** To promote public safety in Arizona

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of 9-1-1 calls answered by operational communications.	181,376	170,000	170,841	170,000	170,000	170,000
Number of administrative calls answered by operational communications.	593,742	600,000	546,818	600,000	600,000	600,000
Average percent of 9-1-1 calls answered in 10 seconds or less.	97	94	98	95	95	95

◆ **Goal 2** To provide exemplary service.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Develop and maintain a formula based on workload data to ensure adequate staffing for exemplary service.	2	2	7	2	2	2
Number of replacement schedule plans developed and implemented for obsolete equipment, computers, and technology.	2	2	1	1	1	1

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of portable radios replaced.	297	100	265	100	100	100
Number of mobile radios replaced.	83	75	75	250	75	75
Number of base stations replaced.	5	5	10	5	5	5
Number of squad, district, or commander meetings attended by a representative of Operational Communications.	22	30	17	30	30	30

◆ **Goal 3** To embody the highest standards of integrity and professionalism

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of Wireless Systems Bureau employees attending one job-specific training class.	34	100	108	95	95	95
Percent of Narrow Banding Project completed.	100	60	41	100	N/A	N/A

**Explanation:** Project expected to be completed in FY13.

Digital microwave paths installed and activated.	2	2	4	3	2	2
Number of microwave sites upgraded.	3	3	3	1	1	1

**Subprogram Summary**

LOGISTICAL SUPPORT

Jeffrey E. Raynor, Assistant Director  
Phone: (602) 223-2400  
A.R.S. § 41-1713

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
General Funds	0.0	5,828.7	6,523.7	7,218.7
Other Appropriated Funds	22,563.6	14,530.3	14,530.3	14,530.3
Other Non Appropriated Funds	1,189.3	890.5	860.3	860.3
<b>Total Funding</b>	<b>23,752.9</b>	<b>21,249.5</b>	<b>21,914.3</b>	<b>22,609.3</b>
<b>FTE Positions</b>	<b>140.0</b>	<b>129.0</b>	<b>129.0</b>	<b>129.0</b>

◆ **Goal 1** To promote public safety in Arizona

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent ACJIS system availability.	99.9	99.7	99.2	99.8	99.8	99.8

◆ **Goal 2** To provide exemplary service

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of workload formulas developed to ensure adequate staffing for exemplary customer service.	1	1	2	2	2	2
Number of legacy applications converted through refreshed technology.	0	0	1	2	2	2
Number of manual processes converted through refreshed technology.	4	4	1	4	4	4
Average number of PC support work orders over 30 days old.	14	35	57	45	35	35

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average number of Application Development Data Processing Service Requests more than 60 days old.	27	30	19	30	30	30
Percent of vehicle modifications requests completed within 30 days of receipt.	72	80	66	33	66	80
Average number of days to process capital equipment transfers in the KAPO and Accountable system.	29	30	58	60	45	30
Annual dollar amount spent toward ADOA recommended building renewal maintenance system (in millions).	0.58	1.3	.649	.720	.250	.500
Percent of building maintenance work orders completed within 30 days.	52	80	55	50	66	80
Develop and implement a facilities maintenance plan.	0	1	1	0	1	1

◆ **Goal 3** To embody the highest standards of integrity and professionalism.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of information technology employees attending a job-specific training session.	75	100	20	40	50	50
Number of forms converted or modified to document imaging.	57	50	49	40	50	60
Percent of Facilities computerized maintenance management system implemented.	90	100	90	100	N/A	N/A

**Explanation:** Project expected to be completed in FY13.

<b>Subprogram Summary</b>	
CRIMINAL INFORMATION AND LICENSING	
Jeffrey E. Raynor, Assistant Director Phone: (602) 223-2400 A.R.S. Titles 24, 26, 32, 41; §§ 41-1750, 41-2401 et. seq.	

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	0.0	0.0	360.5	721.0
Other Appropriated Funds	8,062.3	9,608.7	9,608.7	9,438.7
Other Non Appropriated Funds	11,456.5	13,441.5	13,270.0	13,270.0
<b>Total Funding</b>	<b>19,518.8</b>	<b>23,050.2</b>	<b>23,239.2</b>	<b>23,429.7</b>
<b>FTE Positions</b>	<b>155.0</b>	<b>164.0</b>	<b>164.0</b>	<b>164.0</b>

◆ **Goal 1** To promote public safety in Arizona

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of all registered sex offender files verified annually.	82	90	92	90	90	90
Percent of all registered sex offender files queried annually for address verification.	96	100	100	100	100	100



Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Average number of days required to process an arrest disposition.	1.06	2	1.2	2	2	2
Percent of identities verified through fingerprint searches using the MetaMorpho system upgrade.	95.5	90	93	90	90	90
Number of security guard agencies audited annually.	39	40	40	44	44	48
Number of open security guard and private investigator complaints exceeding 90 days from receipt to final disposition.	30	0	81	0	0	0
<b>Explanation:</b> Note: calculated based on the average of four quarters per fiscal year.						
Number of noncriminal justice agency audits conducted annually.	0	0	3	25	50	60

**Explanation:** New measure in FY13.

◆ **Goal 2** To provide exemplary service

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Develop and maintain a formula based on workload data to ensure adequate staffing for exemplary customer service.	2	2	7	7	7	7
<b>Explanation:</b> Changed in FY13. Previous measure was: Number of workload formulas developed and maintained to ensure adequate staffing for exemplary customer service.						
Percent of Automated Fingerprint Identification System (AFIS) reliability.	99.8	99	100	99	99	99
Average number of days to process a clearance card when applicant has NO criminal record.	24	17	32	25	20	15
Average number of days to process a clearance card when applicant HAS a criminal record.	58	47	61	50	45	40
Average number of days to process a criminal records check and provide the results.	8	9	15	12	8	6
Average number of days to process a concealed weapons permit when research IS required.	6	20	26	26	26	26
Average number of days to process a concealed weapons permit when NO research is required.	5	10	21	21	21	21
Number of criminal justice agencies transitioned to the Arizona Disposition Reporting System.	2	4	8	10	10	15
Number of criminal history record review audits conducted annually.	6	114	162	124	113	111
Number of Arizona Criminal Justice Information System (AJCIS) audits conducted annually.	38	95	124	90	96	93

◆ **Goal 3** To embody the highest standards of integrity and professionalism.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of Criminal Information and Licensing	0	0	N/A	30	50	50

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
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employees attending 8 hours of relevant training per year.

**Explanation:** New measure for FY2013.

**Program Summary**

**ARIZONA PEACE OFFICER STANDARDS AND TRAINING**

Mr. Lyle Mann, Executive Director  
 Phone: (602) 223-2514  
 A.R.S. §§ 41-1822 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	6,884.9	8,361.1	7,098.1	7,234.8
<b>Total Funding</b>	<b>6,884.9</b>	<b>8,361.1</b>	<b>7,098.1</b>	<b>7,234.8</b>
<b>FTE Positions</b>	<b>23.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>

◆ **Goal 1** To develop, implement, and update standards for the selection, retention, and training of peace officers and corrections officers.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of curricula review completed.	34	33	33	33	33	33
Percent of model lesson plans developed for distribution.	100	100	100	100	100	100
Percent of academies utilizing over 80% of model lesson plans.	100	100	100	100	100	100
Percent of academies using standardized competency examinations.	100	100	100	100	100	100
Percent of administrative rules reviewed.	100	100	100	100	100	100

◆ **Goal 2** To promote and uniformly enforce compliance with the standards prescribed for peace officers and corrections officers.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
New hires.	683	770	843	925	1,000	1,050
Peace officers requiring basic training.	483	600	560	614	664	750
Peace officers via waiver testing.	39	45	48	53	57	60
Agencies to be audited.	170	170	170	171	171	171
Certified peace officers.	14,837	15,100	14,736	14,900	15,100	15,250
Corrections officers.	5,932	5,900	6,129	6,200	6,250	6,300
New hire minimum qualification compliance audits conducted.	778	864	949	1,025	1,100	1,200

**Explanation:** Note: Includes officers moving from one agency to another.

Days required to conduct new hire audits.	34	30	33	30	30	30
Percent of agencies in non-compliance.	10	10	11	10	10	10
Academy audits completed.	1	4	1	4	4	4
Days to complete decertification investigations.	135	125	173	165	135	100

◆ **Goal 3** To recommend curricula and promote advanced law enforcement courses in universities and colleges in conjunction with their governing bodies.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Administration of Justice programs giving credit for POST training.	12	12	12	12	12	12

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
POST courses qualifying for college credit.	17	17	17	17	17	17
College courses qualifying for POST mandated training credit.	730	730	733	733	733	730

- ◆ **Goal 4** To maximize the funds available for peace officer training by using available training facilities, minimizing operational costs, and augmenting funds by seeking grants.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Inter-governmental agreements and partnerships.	24	25	24	30	30	25
Revenues received from public sources (\$ thousands).	0	100	0	0	100	110
Efficiency review ideas received.	2	10	25	25	35	35
Efficiency review ideas considered for implementation.	2	10	25	25	35	35

- ◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Qualified instructors teaching POST programs.	280	300	300	300	300	300
Train-the-trainer programs provided to agencies.	26	40	18	20	25	25
Calendar School Programs presented by POST and the Community Policing Institute.	93	110	110	110	120	120
Attendees of Calendar Schools.	2,572	3,500	3,503	3,600	3,700	3,700
DVD training programs produced.	5	6	6	6	8	8
Percent of participants in DVD training programs.	100	100	60	60	60	75
Percent of POST model curricula available via resource bulletin board.	0	25	0	0	25	50
Number of students participating in interactive web-based training program.	2,054	3,000	25,126	26,013	30,000	30,000
Percent high-risk, high liability topics reviewed.	100	100	100	100	100	100
Percent of train-the-trainer, specialty, and regional training programs reviewed.	66	66	66	66	66	66
Percent of in-service programs achieving an overall evaluation of 8.0 or better.	98	90	96	95	95	95
Percent of Agency CEOs rating overall POST services as 7.0 or greater.	N/A	90	N/A	N/A	90	90

# Public Safety Personnel Retirement System

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**  
**Board of Trustees Meeting**  
**30 May 2012**

**Strategic Plan Update**

Section 5.05 of the Governance Manual outlines the overall strategic planning and budgeting process, in general, at a top level approach. However, in discussions with staff over the past couple months, it has been found that the lower level processes for involvement of the managers and their staff in this planning process were either lacking or non-existent. It has also been shared that the current methods to identify and track initiatives are equally insufficient. Therefore, the major thrust of our strategic plan this coming fiscal year is to identify a more efficient and effective strategic planning process by developing a more robust framework to identify, coordinate, implement, and track those initiatives.

Included in this packet are the following:

- *Vision, Mission, and Values statements* – As part of the process as outlined in the Governance Manual, these statements need to be revisited on a regular basis in order to make any necessary adjustments
- *Section 5.05 Planning and Budgeting Process* – for reference purposes
- *Strategic Initiatives Spreadsheet* – the current identification and tracking method being used.

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**VISION**

Invest, secure and manage responsibly the retirement funds of its members in accordance with all legal, investment and financial requirements and in a manner consistent with the quality to which its members have become accustomed.

**MISSION**

- To be a low cost, highly personalized quality service provider of funds management and benefit services.
- To manage long-term investments with the goal of consistently outperforming over time the composite weighted market return benchmark net of all investment related costs so as to assure the financial integrity of the funds and the security of the benefits these funds provide.

**VALUES**

- Do what is best for our members and financial health and integrity of the System.
  - Be proactive.
  - Committed to high quality, uniform, sustainable service.
  - Innovative and cost effective in Plan administration and services.
  - Use best practices in HR management.
-

## **ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**

### **5.05 PLANNING AND BUDGETING PROCESS**

#### **PURPOSE**

- 1) The purpose of this policy is threefold:
  - a) To facilitate discussion and agreement among the Board of Trustees and Administrator on the annual budget and strategic plan of the System.
  - b) To assure that the System actively and systematically plans for the short and long-term needs of the System.
  - c) To facilitate the communication of the System's annual budget and strategic plan throughout the organization and to interested external parties.

#### **PRINCIPLES**

- 2) Planning is a continuous process. While a retirement system's mission and long-term objectives should be relatively stable, its budget and strategic plan should be revisited and updated annually.

#### **GUIDELINES**

##### **The Annual Planning Process**

- 3) In the beginning of the third quarter of each fiscal year (i.e., January to March) the Administrator will initiate an annual planning process, which will include, at a minimum:
  - a) A review of the appropriateness of the System' mission statement and its long-term objectives.
  - b) A review of the progress made in implementing the previous year's budget and strategic plan.
  - c) An assessment as to whether the System is well positioned to achieve its mission and long-term objectives, including consideration of the following functions within the System:
    - i) Investments and funding.
    - ii) Member services and administration.
    - iii) Human resources.
    - iv) Systems and operations.
    - v) Governance and public relations.
  - d) A review of current business initiatives, which may need to be carried forward into the next fiscal year.
  - e) The identification of any new business initiatives to be undertaken to meet the mission and long-term objectives.
- 4) The Administrator shall solicit input from the trustees regarding the priorities to be addressed in the strategic plan for the upcoming year.

##### **Budget and Strategic Plan**

- 5) In the fourth quarter of each fiscal year (i.e., April to June), the Administrator will present to the Board of Trustees the following for review:

- a) The System's mission statement and long-term objectives, and any proposed modifications.
- b) A strategic plan for the next fiscal year, which shall include at a minimum:
  - (i) An analysis of any significant risks or opportunities facing the System or its ability to carry out its mission.
  - (ii) A summary of proposed new business initiatives, along with necessary supporting information and planning parameters, which may include:
    - a. Rationale for undertaking the initiative.
    - b. Timelines for completion.
    - c. Assignment of responsibilities for implementation.
    - d. Budget implications.
    - e. Criteria for assessing the success of the initiative.
    - f. Provisions for reporting to the Board of Trustees.
- c) A proposed budget for the next fiscal year, which shall include, at a minimum:
  - (iii) A breakdown of the budget by division and by major expense category within each division;
  - (iv) Comparison of all budget items to the current year's budget, and to current year's actual spending (projected to year-end); and
  - (v) Supporting rationale for any significant changes in the budget.
- 6) In approving the budget and strategic plan, the Board of Trustees will satisfy itself that the budget and plan are reasonable and support the mission and long-term objectives of the System. The Board of Trustees may make its approval subject to any modifications that it deems necessary.
- 7) Once the strategic plan is approved, additional business initiatives may be added only if deemed necessary by the Board of Trustees, and if accompanied by any budget modification required to carry out the new or modified initiative.

### **Communications**

- 8) The approved budget and strategic plan will be communicated by the Administrator to all staff members of the System and made available to interested external parties upon request.
- 9) Should the Administrator determine that changing circumstances will not allow it to meet a particular business initiative, the Board of Trustees will be informed in a timely manner.
- 10) The Administrator will provide the Operations, Governance Policy & Audit Committee and the Board of Trustees with a quarterly budget variance report. However, if a material variance or variances are discovered, they must be reported to the Operations, Governance Policy & Audit Committee and the Board of Trustees at its next meeting.
- 11) The Administrator will provide the Operations, Governance Policy & Audit Committee with periodic progress reports concerning the strategic plan.



Balanced Scorecard Objectives Matrix (OMX)		Month of - July		FISCAL YEAR 2011/12										
Major Improvement Opportunity	Measurement Milestones	Sponsor	Weight	1	2	3	4	5	6	Target 7	8	9	10	Score
<b>Investment Performance</b>														
1. Implement the new asset allocation adopted by the BOT, interview external money managers, outsource assets, monitor investments	% project plan completed	Investment, Operations, Compliance, Legal and Admin	2	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	ON GOING
2. Finalize Policies, Appendices & Implementation Plan for each asset class	% project plan completed	Investment, Operations, Compliance, Legal and Admin	2	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	ON GOING
3. Create a comprehensive risk dashboard	% project plan completed	Investment	5	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	ON GOING
<b>Customer Service</b>														
1. Continue training for local boards. Define compliance review process (Phase 2). Create local board training module- IT (Phase 3.)	% project plan completed	Robert, Compliance, IT	5	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	ON GOING
2. Enhance member training through brochures and website materials	% project plan completed	Robert, IT	5	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	ON GOING
3. Restructure Actives, Benefits, Insurance to include establishing a call center	% project plan completed	LaDawn, Annette, Bonnie	8	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Completed
4. Create workflow company wide	% project plan completed	Compliance (Lead) Annette, Bonnie, IT, LaDawn	8	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan
<b>Product, Process and Service Improvement</b>														

Balanced Scorecard Objectives Matrix (OMX)	Month of - July	FISCAL YEAR 2011/12												
Major Improvement Opportunity	Measurement Milestones	Sponsor	Weight	1	2	3	4	5	6	Target 7	8	9	10	Score
1. IRS Compliance Review (Phase 2)	% project plan completed	Operations, Legal	1	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan
2. Implement IRS Compliance (Phase 3)	% project plan completed	Operations, Legal	1	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan
3. Processing contributions online	% project plan completed	LaDawn, Tom	2.5	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan
4. Internet enhancements with Benefits	% project plan completed	Bonnie, Tom	2.5	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan
5. Automate membership and retirement application forms online.	% project plan completed	LaDawn, Bonnie, Tom	3	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan
6. Business continuity/disaster recovery Phase Three (plan testing). Phase 2) Practice drills.	% project plan completed	Tom & Disaster Recovery Team	5	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan
7. Testing of all major processes for all depts. to include paper flow and computer systems (users). Audit Plan	% project plan completed	Compliance	4	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed.	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan - ON GOING
8a. On Base - Functionality	% project plan completed	IT, Managers	0	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% of project plan completed.	100% by June 1	100% by May 1	100% by April 1	Completed
8b. On Base - Document Imaging	% project plan completed	IT, Managers	0	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% of project plan completed.	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan - ON GOING
9. Outsourcing Benefit Payment for business continuity/pension payroll printing and mailing.	% project plan completed	Accounting, Benefits, IT	0	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Due to be completed by June, 2012

Balanced Scorecard Objectives Matrix (OMX)		Month of - July		FISCAL YEAR 2011/12										
Major Improvement Opportunity	Measurement Milestones	Sponsor	Weight	1	2	3	4	5	6	Target 7	8	9	10	Score
10. Automated file tracking	% project plan completed	Actives, Benefits, Insurance, IT	1	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	New Initiative
11. Update record retention policy	% project plan completed	Admin. (Lead), IT, Legal, Accounting, IT	8	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan
12. Develop a tax information booklet	% project plan completed	Leslie, Accounting	5	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan
13. Develop verification of 1099 process	% project plan completed	Karen, Accounting, IT	8	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed.	100% by June 1	100% by May 1	100% by April 1	Completed
14. Document management system	% project plan completed	Legal, Admin., IT	4	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	New Initiative
15a. Formalize an audit/compliance strategy and document all reviews to assure that the program can be continued in the Compliance Officer's absence.	% project plan completed	Compliance	1	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan - ON GOING
15b. Audit Quality Review - Perform self review to prepare for external review in FY2014	% project plan completed	Compliance		Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	New Initiative
16. Epic security	% project plan completed	IT, Managers	7	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan
17. Reconfiguration of offices	% project plan completed	Admin. Mgr.	5	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	Carry forward to 2012/13 Plan
18. Implement PayCards	% project plan completed	IT Developmnt, Retired Members		Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	New Initiative
19. Improvements to Local Boad Website	% project plan completed	IT Developmnt, LB Outreach		Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1	New Initiative

Balanced Scorecard Objectives Matrix (OMX)		Month of - July		FISCAL YEAR 2011/12											
Major Improvement Opportunity	Measurement Milestones	Sponsor	Weight	1	2	3	4	5	6	Target 7	8	9	10	Score	
18. HVAC electronic controls	% project plan completed	IT Network	5	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	100% completed	100% by June 1	100% by May 1	100% by April 1		Carry forward to 2012/13 Plan
<b>Learning and Growth</b>															
1. Microsoft Office update, Training	1. Number of Microsoft Office applications available for training.	IT	2	Project Plan Developed and reviewed	20%	40%	60%	80%	90%	1 class in each of the MS Office applications taught	100% by June 1	100% by May 1	100% by April 1		Carry forward to 2012/13 Plan
Calculate the score of each item by taking the column number times the weight which equals the score for that row; total score column down to get monthly results.	Transfer monthly results per row and total to the OMX Month to Month spreadsheet; graph results.		100											0	

## Agency Summary

### PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

Jim Hacking, Administrator  
 Phone: (602) 296-2527  
 38-841

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	36,352.9	36,436.5	36,436.5	36,436.5
<b>Total Funding</b>	<b>36,352.9</b>	<b>36,436.5</b>	<b>36,436.5</b>	<b>36,436.5</b>
<b>FTE Positions</b>	<b>43.0</b>	<b>47.0</b>	<b>47.0</b>	<b>47.0</b>

◆ **Goal 1** To provide timely services to the System's members, both active and retired.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Active Members in PSPRS	0	0	18,542	18,912	19,101	19,292
Active Members of CORP	0	0	14,991	15,140	15,292	15,444
Active Members of EORP	0	0	845	853	862	870
Retirees from PSPRS	0	0	9,802	9,900	9,999	10,999
Retirees from CORP	0	0	3,476	3,511	3,545	3,581
Retirees from EORP	0	0	992	1,001	1,011	1,022

◆ **Goal 2** To provide high quality investment management of the System's assets.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of investment returns	0	0	0	8.0	8.0	8.0
3 year rolling rate of return	0	0	0	8.0	8.0	8.0

# Department of Racing

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## **AGENCY-LEVEL FIVE-YEAR STRATEGIC PLAN**

### **MISSION STATEMENT**

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 regulates the Arizona pari-mutuel horse and greyhound racing industries. The Department oversees, supervises and issues permits for all commercial horse, greyhound and county fair racing, including all live and simulcast racing; supervises off-track betting sites; conducts background checks and licenses all racing participants; collects state revenues generated by races; promotes and encourages the breeding of horses and greyhounds in the state; promotes and encourages the adoption of retired racehorses and retired greyhounds; and enforces laws and rules related to racing and wagering. The Department also regulates and supervises all professional boxing events and all mixed martial arts (MMA) contests in Arizona.

### **STRATEGIC ISSUES**

#### **Issue 1      Animal Drug Testing and Enforcement**

In May 2007, the Office of the Auditor General recommended that the Department continue to move forward to align its drug testing practices with the Association of Racing Commissioners International (ARCI) Model Rules, seek consensus with the industry in areas where there may be concerns, and put the equine drug testing policy and penalties into administrative rule instead of solely in Department policy. In August 2007, the Commission endorsed the proposed Equine Animal Medication Model Rules with exceptions preferable for Arizona racing. The Commission approved an Interim Policy to become effective October 1, 2007. In September 2007, ARCI endorsed the Model Rules section (ARCI-011-020(J)) pertaining to the regulation of anabolic steroids. The Commission approved the addition of the anabolic steroids prohibition section to the Department Interim Policy. In September 2011, these policies

were dropped because they may have been in conflict with statute and rules. This made it imperative that the Department implement a new rule that would fully adopt the Model Rules.

In addition, the American Graded Stakes Committee met in August 2008 and made changes to its eligibility requirements and drug testing protocol. Those changes include regulation of anabolic steroids and require testing for alkalizing agents in graded stakes races beginning January 1, 2009, so that all horses participating in graded stakes have blood samples drawn pre-race in accordance with the Racing Medication and Testing Consortium's recommended best practices regarding "milkshaking." Each jurisdiction must determine the testing method, either TCO<sub>2</sub> or base excess, and set a baseline. A race will lose its grade eligibility if this testing is not performed. These additional tests will further improve the level of safety and integrity of the industry.

## **Issue 2      Human Drug Testing and Enforcement**

The Department has the responsibility to monitor all permittee locations and has aggressively enforced the laws of Arizona and the Department's Administrative Code provisions regarding illegal substances. The protection of racing participants extends to the animal athletes and individuals who work directly with the animals and are under the influence of any type of illegal substance put other race participants, as well as the animal athletes, at risk. Individuals who can show a lawfully issued prescription for a substance resulting in a positive test are not subject to disciplinary actions.

## **Issue 3      License Application Process**

The license application and licensing process has been updated to include an application more user friendly, while still obtaining the information necessary to determine eligibility for licensure. Computer equipment and an industry developed licensing software program have been acquired to provide a higher level of customer service, accuracy and efficiency. We continue to evaluate and modify our questions pertaining to criminal history. The changes made in this section have reduced false applications by 90%.

## **Issue 4      Increased Efficiency**

On January 14, 2010, Governor Brewer signed an Executive Order creating the Commission on Privatization and Efficiency (COPE). COPE's mission is to streamline governmental operations through consolidation and outsourcing.



## **Issue 5      Boxing and Mixed Martial Arts Program**

The staff of the State’s Boxing and Mixed Martial Arts (MMA) Commission is within the Department of Racing. The Boxing and MMA Commission regulates and supervises professional boxing events and both professional and amateur MMA contests. The Boxing and MMA Commission’s 5-year Review Report, which was approved by the Governor’s Regulatory Review Council on May 1, 2012, identified a number of areas and rules that need to be improved and updated to better regulate the sports and provide contestants, promoters and officials with clearer understanding of applicable requirements. Key issues are the elimination of a statutory exemption for purported non-profit regulatory bodies and adoption of certain restrictions for amateur MMA contestants. There are also numerous boxing rules which need to be updated and amended.

### **STRATEGIES**

#### **Issue 1      Animal Drug Testing and Enforcement**

The 2011 budget removed the Department from the General Fund and placed the Department’s budget on full funding from the racing industry beginning in July, 2012. Because of this the Department was able to increase the number of tests per start in 2011-2012 and plans to increase that number in the next fiscal year. The Governor’s Office has granted the Department a waiver to its rulemaking moratorium and the Department has drafted a set of rules which include fully aligning itself with the ARCI Model Rules. Because this is such an important issue, the Department will seek to have this section be considered an emergency rule so that it may take effect as soon as possible.

#### **Issue 2      Human Drug Testing and Enforcement**

Effective July 2011 new legislative changes gave the Department an exemption from the rulemaking requirements of Title 41 for one year. With this exemption the Department will be enhancing the administrative code provisions regarding illegal substances. The Department continues to monitor and ensure that Arizona commercial racing permittees provide pre-employment screening for new, unlicensed job applicants for positions at racetracks and off-track wagering facilities. During the license application process applicants who indicate involvement in criminal drug offenses could result in license denial. Additionally, the permittees grounds have been designed as “Drug Free Zone” with appropriate signage being displayed.

### **Issue 3 License Application Process**

The Department's website continues to be an avenue to access the license application with instructions for completion, list of license fees, and description of license categories, along with local and national licensing information and links. Effective July 2011 new legislative changes occurred that provided the Department an exemption from the rulemaking requirements of Title 41 for one year. With this legislation the Department established an annual license period and established new licensing fees in amounts that are sufficient to help support the Department's mission during FY 2012 and to transition into 100% self-funding in FY 2013.

### **Issue 4 Increased Efficiency**

Since FY 11, the Department has participated in interagency services agreements with the Department of Administration, the Office of the Attorney General, and the Department of Gaming. The Department has also outsourced functions such as rule writing, forensic investigations, animal medical and welfare consultation, and animal certification. Contracting with professionals in these areas provide superior results and free up staff for other assignments. The Department continues to take advantage of opportunities to streamline our operations, and will begin working with DOA Shared Services to provide HR services in FY 13.

### **Issue 5 Boxing and Mixed Martial Arts Program**

During the next year, the staff will focus on implementing appropriate changes through statutory amendments and/or rulemaking. In addition, there will be training sessions for boxing and MMA officials. In the past, there has been no formal training of the industry's officials. Additional training and knowledge will enhance our officials' credibility and competence. With additional funds for drug testing, the Boxing and MMA Commission will also be able to regulate and discourage behavior that is detrimental to the industry. A substantial increase in drug testing expenditures will keep boxing and MMA clean and ensure that certain contestants do not have an unfair advantage.

### RESOURCE ASSUMPTIONS

	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions	40.5	40.5	40.5	40.5	40.5	40.5
General Fund	\$2,029,500	\$2,029,500	\$2,029,500	\$2,029,500	\$2,029,500	\$2,029,500
Other Appropriated Funds	\$2,831,200	\$2,831,200	\$2,831,200	\$2,831,200	\$2,831,200	\$2,831,200
Non-Appropriated Funds	\$16,900	\$97,900	\$97,900	\$68,400	\$68,400	\$68,400
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Total Agency Funds	\$4,877,600	\$4,958,600	\$4,958,600	\$4,929,100	\$4,929,100	\$4,929,100

**Agency Summary**

DEPARTMENT OF RACING

William J. Walsh, Director  
Phone: (602) 364-1730  
A.R.S. §§ 5-101 et seq.

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
➤ COMMERCIAL RACING	0.0	250.0	250.0	250.0
➤ COUNTY FAIR RACING	1,931.1	1,967.9	1,967.9	1,967.9
➤ BOXING	5.5	213.6	213.6	213.6
<b>Agency Total:</b>	<b>1,936.6</b>	<b>2,431.5</b>	<b>2,431.5</b>	<b>2,431.5</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	1,779.5	2,029.5	2,029.5	2,029.5
Other Appropriated Funds	0.0	327.5	327.5	327.5
Other Non Appropriated Funds	157.1	74.5	74.5	74.5
<b>Total Funding</b>	<b>1,936.6</b>	<b>2,431.5</b>	<b>2,431.5</b>	<b>2,431.5</b>
<b>FTE Positions</b>	<b>0.8</b>	<b>5.4</b>	<b>5.4</b>	<b>5.4</b>

**Program Summary**

COMMERCIAL RACING

Joyce Cozby, Deputy Director  
 Phone: (602) 364-1726  
 A.R.S. §§ 5-101 to 5-115

**This Program Contains the following Subprograms:**

- ▶ Horse Racing
- ▶ Greyhound Racing

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	250.0	250.0	250.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>0.0</b>	<b>250.0</b>	<b>250.0</b>	<b>250.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Subprogram Summary**

HORSE RACING

Joyce Cozby, Deputy Director  
 Phone: (602) 364-1726  
 A.R.S. §§ 5-101 to 5-115

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,035.3	0.0	0.0	0.0
Other Appropriated Funds	889.6	1,580.0	1,580.0	1,580.0
Other Non Appropriated Funds	32.7	14.5	14.5	14.5
<b>Total Funding</b>	<b>1,957.6</b>	<b>1,594.5</b>	<b>1,594.5</b>	<b>1,594.5</b>
<b>FTE Positions</b>	<b>25.4</b>	<b>22.8</b>	<b>22.8</b>	<b>22.8</b>

- ◆ **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	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Stewards' rulings issued	340	350	164	200	200	200
<b>Explanation:</b> Stewards are the first-line enforcers of the statutes and rules and protectors of the racing participants and animals. They monitor every aspect of the race meet.						
Percent of original Stewards' actions upheld on appeal	88	80	89.0	85.0	85.0	85.0
Percent of positive equine drug tests	4.00	1.00	4.0	4.0	4.0	4.0
Number of horse racing investigations conducted regarding compliance with rules	174	100	25	30	30	30
Number of equine drug tests conducted	721	1,300	1,998	2,200	2,200	2,200

- ◆ **Goal 2** To process license applications and conduct background investigations in a timely manner to ensure that only those eligible pursuant to Arizona racing-related statutes, rules, and regulations receive licenses.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Arizona Department of Racing						

	Actual	Estimate	Actual	Estimate	Estimate	Estimate
Number of licenses issued	2,761	2,000	1,374	2,000	2,000	2,000
Number of licenses denied	0	1	1	2	2	2
Number of background investigations conducted regarding licensing	719	1,200	957	1,200	1,200	1,200
Percent of license denials upheld on appeal	N/A	95.0	N/A	95.0	95.0	95.0
Percent of total horse racing licensees with disciplinary action	5.0	5.00	2.25	3.0	3.0	3.0
Average number of calendar days to complete fingerprint reviews from time taken to receipt of criminal history report	30	28	44	40	40	40

◆ **Goal 3** To encourage and promote horse breeding in Arizona through administration of and timely distribution to recipients of funds available through Breeders and Stallion Awards Programs.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of active horse breeders	88	85	79	80	80	80
Percent of active breeders winning awards	N/A	N/A	N/A	84.0	84.0	84.0
Average number of days that awards were processed before the deadline	N/A	N/A	N/A	3	3	3

◆ **Goal 4** To encourage employment and retention of professional staff of the highest quality in order to best serve the needs and interest of the State and the horse racing industry.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Employee turnover rate	6.0	10.0	18.5	15.0	15.0	15.0
Number of employees who completed formal work-related training	3	3	11	11	11	11

◆ **Goal 5** To educate all licensees and racing participants in Arizona regarding violations involving the use of illegal substances.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of human drug tests conducted	20	40	11	15	15	15
Number of positive human drug test results	4	10	6	5	5	5
Number of refusals to test	5	4	1	2	2	2
Number of investigations regarding positive drug tests and refusals to test	9	10	11	10	10	10

### Subprogram Summary

#### GREYHOUND RACING

Joyce Cozby, Deputy Director  
 Phone: (602) 364-1726  
 A.R.S. §§ 5-101 to 5-115

Funding:	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	923.7	923.7	923.7
Other Non Appropriated Funds	0.0	8.9	8.9	8.9
<b>Total Funding</b>	<b>0.0</b>	<b>932.6</b>	<b>932.6</b>	<b>932.6</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>13.8</b>	<b>13.8</b>	<b>13.8</b>

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of Stewards' rulings Issued	30	50	97	100	100	100
Percent of positive canine drug tests	0.0	.06	0.47	0.50	0.50	0.50
Number of greyhound racing investigations conducted regarding compliance with rules	14	25	16	20	20	20
Percent of greyhound racing licensees with disciplinary action	.07	.07	14.5	10.0	10.0	10.0
Number of canine drug tests conducted	1,164	2,000	2,130	2,200	2,200	2,200

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of licenses issued	524	350	152	300	300	300
Number of licenses denied	0	1	N/A	1	1	1
Number of background investigations conducted	47	230	110	130	130	130
Percent of background investigations resulting in disciplinary or enforcement action	.05	.05	0.01	0.01	0.01	0.01
Percent of license denials upheld on appeal	N/A	90.0	100.0	90.0	90.0	90.0
Number of background investigations resulting in disciplinary action	4	7	6	7	7	7

◆ **Goal 3** To inspect greyhound puppies, the facilities where they are maintained and the vehicles used to haul the greyhounds within the state to enforce compliance to insure the health, safety, and welfare of greyhounds with Arizona laws and regulations, and protect the integrity of the greyhound industry.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of facilities licensed	4	2	2	2	2	2
Number of inspections conducted at facilities	24	25	24	24	24	24
Number of inspections resulting in violations and disciplinary action	0	1	N/A	1	1	1
Number of greyhound hauling vehicle inspections conducted	24	30	1	1	1	1
Number of greyhound hauling vehicle inspections resulting in violations	1	1	N/A	1	1	1
Number of inspections of greyhound puppy litters	10	50	8	10	10	10

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of greyhound breeders winning awards	N//A	N/A	N/A	69.0	69.0	69.0
Average number of days that awards were processed before the deadline	N/A	N/A	N/A	3.0	3.0	3.0
Number of active greyhound breeders	10	10	4	6	6	6

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
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Employee turnover rate	0	1	18.1	15.0	15.0	15.0
Number of employees who completed formal work-related training	2	2	4	4	4	4



**Program Summary**

COUNTY FAIR RACING

Joyce Cozby, Deputy Director  
 Phone: (602) 364-1726  
 A.R.S. §§ 5-101 to 5-115

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	1,779.5	1,779.5	1,779.5	1,779.5
Other Appropriated Funds	0.0	188.4	188.4	188.4
Other Non Appropriated Funds	151.6	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,931.1</b>	<b>1,967.9</b>	<b>1,967.9</b>	<b>1,967.9</b>
<b>FTE Positions</b>	<b>0.8</b>	<b>2.9</b>	<b>2.9</b>	<b>2.9</b>

- ◆ **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.

<b>Performance Measures</b>	<b><u>FY 2011 Actual</u></b>	<b><u>FY 2012 Estimate</u></b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
Number of races supervised	388	115	258	250	250	250
Number of Stewards' rulings issued	1	1	4	5	5	5
Percent of original actions upheld on appeal	N/A	95.0	N/A	95.0	95.0	95.0
Number of investigations conducted	27	100	110	100	100	100
Number of county fair racing investigations resulting in disciplinary action	20	15	1	2	2	2
Number of county fair race days regulated	44	38	32	32	32	32
Number of county fair races supervised - including simulcasting	5913	3,600	5,084	5,100	5,100	5,100
Number of equine drug tests conducted	112	100	158	160	160	160

- ◆ **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.

<b>Performance Measures</b>	<b><u>FY 2011 Actual</u></b>	<b><u>FY 2012 Estimate</u></b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
Number of licenses issued	436	300	103	150	150	150
Number of licenses denied	0	0	N/A	1	1	1
Number of background investigations conducted	78	0	108	100	100	100
Percent of license denials upheld on appeal	N/A	0	N/A	90.0	90.0	90.0
Number of license application denials upheld on appeal	N/A	99.0	N/A	1	1	1

- ◆ **Goal 3** To encourage and promote county fair racing in Arizona through the distribution of subsidies for purses and Betterment Fund monies to Fair facilities.

<b>Performance Measures</b>	<b><u>FY 2011 Actual</u></b>	<b><u>FY 2012 Estimate</u></b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
Amount of betterment monies distributed (thousands)	0	0	N/A	N/A	N/A	N/A

**Explanation:** No monies appropriated in FY 11

- ◆ **Goal 4** To encourage employment and retention of professional staff of the highest quality in order to best serve the needs and interest of the State and the horse racing industry.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Employee turnover rate	0	0	42.8	40.0	40.0	40.0
Number of employees who completed formal work-related training	0	0	0	0	0	0

**Program Summary**

**BOXING**

Dennis O'Connell, Executive Director/Boxing  
 Phone: (602) 364-1727  
 A.R.S. §§ 5-221 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	139.1	139.1	139.1
Other Non Appropriated Funds	5.5	74.5	74.5	74.5
<b>Total Funding</b>	<b>5.5</b>	<b>213.6</b>	<b>213.6</b>	<b>213.6</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>2.5</b>	<b>2.5</b>	<b>2.5</b>

- ◆ **Goal 1** To ensure that all events under Commission jurisdiction held in the state are sanctioned by the Arizona State Boxing and MMA Commission and that all participants are duly licensed.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of boxing & MMA licenses issued	685	750	753	750	750	750
Number of bouts	221	240	276	250	250	250
Percent of bouts without serious injury to contestants	99	100	< 1.0	< 1.0	< 1.0	< 1.0
Number of boxing and MMA investigations versus the number of bouts	0/221	1/240	2/276	2/250	2/250	2/250

**Explanation:** Effective FY 10: Reflects number of boxing & MMA investigations

Number of events sanctioned	24	25	32	30	30	30
Number of license applications received	701	825	770	770	770	770
Percent of licenses issued for all applications received	98	99.0	98	98	98	98

- ◆ **Goal 2** To investigate all allegations of rules violations that may harm the athlete or the public.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of boxing & MMA investigations resulting in disciplinary action	N/A	99.0	1.0	1.0	1.0	1.0

**Explanation:** Effective FY 10: Reflects boxing & MMA investigations resulting in discip. Action

Number of boxing investigations versus number of bouts	0/221	1/240	1/276	1/250	1/250	1/250
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**Explanation:** Effective FY 10: Reflects both boxing & MMA investigations vs. number of bouts

Number of boxing & MMA investigations	0	1	1	1	1	1
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**Explanation:** Effective FY 10: Reflects both boxing & MMA investigations

- ◆ **Goal 3** To ensure that all participants comply with all health requirements for their safety and the public safety.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of Boxing & MMA -related medical exams submitted	1,596	1,600	2,300	2,250	2,250	2,250

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
<b>Explanation:</b> Effective FY 10: Reflects both boxing & MMA related medical exams						
Percent of Boxing & MMA -related medical exams accepted	100.0	100.0	99	99	99	99
<b>Explanation:</b> Effective FY 10: Reflects both boxing & MMA related medical exams						
Percent of Boxing & MMA -related medical exams received the day of the event	11.0	10.0	5-10	0-5	0-5	0-5
<b>Explanation:</b> Effective FY 10: Reflects both boxing & MMA related medical exams						
◆ <b>Goal 4</b>	To encourage employment and retention of professional staff of the highest quality in order to best serve the needs and interests of the State and the boxing industry.					

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of boxing employees who completed formal work-related training	1	2.0	2	2	2	2
<b>Explanation:</b> Effective FY 10: Reflects both boxing & MMA employees						
Employee turnover rate	0	0.0	16.7	15.0	15.0	15.0
<b>Explanation:</b> Effective FY 10: Reflects both boxing & MMA employees						

# Radiation Regulatory Agency

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Mission Statement

To protect the health and safety of Arizonans from unnecessary radiation exposure from all natural and man-made sources.

## Description

The Arizona Radiation Regulatory Agency provides protection from unnecessary radiation exposure through inspection of radiation sources and their uses, effective response to radiological incidents, environmental sampling, and the certification of those applying radiation on humans.

## Strategic Issues

**Issue 1. X-ray tube growth exceeds Agency resources.** The number of x-ray tube heads in use in Arizona normally increases at a rate of about 4% per year. For FYs 2010, 2011, 2012 the growth rate was 2.5%, 0.3%, and 1.8%. Agency staffing and equipment is unable to keep up with this growth rate. The Agency is 39% behind in its inspection of x-ray tubes. The loss of staff means Agency will continue to increase in overdue inspections until replacement staff can be trained.

**Improvement strategy:** Assuming a 3% growth rate for FY 2013 -2015 and 4%, the historical growth rate for FY2016 and 2017, we will have to add resources, both staff and equipment, to have our inspections to not be more than 5% overdue. Possible increased efficiencies will help reduce the resource needs, they will not eliminate these needs. To inspect the 15,135 x-ray tubes at the scheduled re-inspection rate, of 4210 per year, we need 7 general x-ray inspectors. We have 4. By FY2017 we will need 8 if we are to reduce the overdue for inspection to 5% or less by FY2019.

**Issue 2: High- and Low-level radioactive waste will continue to be a public issue and problem.** The disposal of radioactive waste continues to be of major concern to the public. Over the next 10 years the U.S. Department of Energy has scheduled approximately 10,000 shipments of low-level radioactive waste across AZ on I-40. With the suspension or possible deletion of Yucca Mountain as the ultimate repository of spent nuclear fuel, it is unclear whether the I-40 corridor, including the nearby railroad, will be used for the transportation of these wastes. If Yucca Mountain does become the ultimate repository for high level and spent fuel wastes, then this corridor is likely to be utilized. In the meantime, I-40 is being utilized to ship high level of irradiation sources to China - Japan areas of the world. During FY 2012, 69 shipments of route controlled quantities were shipped across AZ, primarily along I-40 but some along I-10 and I-15.

**Improvement strategy:** We need to maintain calibrated equipment and trained first responders along the routes. Until FY 2012, we had a position funded by the U.S. Department of Energy (DOE). DOE decided to stop funding the position, training, and equipment maintenance since WIPP in New Mexico would no longer use the I-40 route. In view of the significant amount of radioactive material transported across AZ, we believe the function should continue even though DOE does not fund the project. The budget will show this additional position for FYs 2014 through 2017. Public concern could indicate a need to monitor each significant shipment across Arizona. If every shipment is to be monitored, additional 2 FTE will be required. This also indicates a need to continue to provide calibrated instruments to the local first responders.

**Issue 3: Uranium mining, milling and leaching are again becoming an issue in Arizona.** The Agency is required by §30-654(B)(15), A.R.S. to conduct an offsite environmental monitoring program of any fixed nuclear facility, any uranium milling and tailing site and any leaching operation. With the increase of the price of uranium to greater than \$100.00 per pound, increased interest is being shown by industry to mine and

considering milling and leaching

**Improvement strategy:** Restart the State wide environmental monitoring program. This would meet the requirements of §30-654(B)(15), A.R.S. should any of the sites process the ore in any way at their site. Further, we could respond to any concerned citizens about waste releases from any mining operation. It may be of economic interest to the State of Arizona to sign an agreement to become the regulatory agency for these sites and thereby reduce the costs to the sites. If the State elects to take this option, up to 4 FTE would need to be added to the staff. The would be paid for by the increased fees collected after the agreement is signed with NRC. The fees to the State would be less than those the licensees would pay the NRC resulting in a saving to our industry.

**Issue 4:** Relationships with federal agencies will remain uncertain. The U.S. Nuclear Regulatory Commission (NRC) continues to pay for the classroom and travel costs for training. They do not pay the salary costs or for lost production. There are no indications of a change in the immediate future. The U.S. Food and Drug Administration (FDA) continues to support the mammography program for the State. Since the Waste Isolation Pilot Project no longer uses Arizona as a route to Carlsbad NM, the U.S. Department of Energy has withdrawn their support to train, equip and maintain radiation response along I-40. The Agency is still obligated to response to any radiation accidents that may occur. This includes providing technical assistance (training) so that agencies may respond to such accidents safely The U.S. Environmental Protection Agency (EPA) contracts with the State for Radon information and limited testing for radon. Consideration is being given to suspending the radon program nationally. While AZ is fortunate to not be in the high radon zones, we do find homes and business within AZ that do exceed the EPA guideline for the facilities. At present the Agency receives 3 to 4 calls per day from the public regarding radon.

**Improvement strategy:** The Agency will continue to utilize the training provided by the NRC. Further, the Agency will continue to accept the support available from the FDA. We will continue to seek support from DOE since they continue to transport low level waste across Arizona. The Agency will continue to respond to public inquiries on radon. We have notice an increase in the number who have radon testing/mitigation issues addressed in their sales contracts. If federal funding sources are unavailable, the state will have to support about 1.5 FTE for these services

**Issue 5:** Non-ionizing radiation sources increasingly is a public concern. Legislation adopted in 2008, required certification of technologists performing cosmetic laser applications. In addition, the World Health Organization has recommended restrictions on tanning bed usage by individuals under the age of 18. The funding from the certification of technologists currently pays the cost of that program. If additional restrictions are adopted by the legislature, there may be some cost in enforcing them. At present the Agency is late in inspecting 72% of the facilities.

**Improvement strategy:** The Agency will continue to respond to public inquiries and concerns. By 2016 we estimate that due to population growth we will need 2 additional FTE to adequately protect the public health and safety in the use of these devices.

**Issue 6:** The State needs to be prepared to respond to a major radiation incident or terrorist event. Since 1979 the Agency has historically responded to a major radiation incident every ten to fifteen years. In addition there is national concern that enemies of this country may use radioactive materials in a weapon or improvise a nuclear weapon to attack this country. In addition the U.S. Nuclear Regulatory Commission has changed the requirements for emergency response to incident at nuclear power plants by requiring additional testing and the complexity of the plan testing.

**Improvement strategy:** At present, the State is heavily dependent on receiving federal assistance within 12 to 24 hours of the initiating event. The addition of staff for other Agency needs will also allow the Agency to be able to respond adequately. This may be important since the federal response may be as long as 24 hours in

arriving in AZ.

**Issue 7: Monitoring of the environment will be important after major, world wide radiation events.** The release of radioactive material at the Fukushima reactor site in Japan demonstrated that such events will be detected in Arizona. Prior to FY2007 we maintained a state wide monitoring system in Arizona. After then we ceased all such monitoring except around Palo Verde Nuclear Generating Station. As a result the Agency was unable to respond to public requests for the concentrations of radioactive material in their milk, air, or water outside of the Phoenix area.

**Improvement strategy:** By FY 2016, the Agency would need to add 2 FTE and acquire additional monitoring equipment to provide this information to the public.

**Issue 8: Maintaining adequately trained and drug free personnel delivering personal services.** It is becoming increasingly important to assure the qualifications of personnel in the medical realm as well as those providing cosmetic services. The David M. Kwiatkowski case is a prime example of what could happen. He apparently caused at least 30 cases of hepatitis-C when he replaced sterile syringes with contaminated syringes in other states. The Agency investigates and takes appropriate actions against certified individuals who conduct unprofessional, unethical, illegal or otherwise unacceptable performance and prevent from receiving or maintaining certification to work in Arizona. Mr. Kwiatkowski surrendered his certification to work in AZ and apparently he did not contaminate any one in AZ.

**Improvement strategy:** The Agency needs to assess applicants and complaints and where appropriate suspend the certificate of those who are performing unprofessional, unethical, illegal or substandard performance. For those who may be reclaimed, a program that is preventive and will wean the user from the drugs or change their conduct must be implemented as soon as possible. Additional clerical staff would permit more time for investigations and random background checks.

	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
Full-time- equivalent (FTE) Positions	29.5	32.5	34.5	36.5	37.5	38.5
General Fund	\$1,420,800	1,620,800	1,750,600	1,815,500	1,815,500	1,880,400
Other Appropriated Funds	\$ 829,800	935,000	951,800	1,015,700	1,080,600	1,080,600
Non-Appropriated Funds	\$ 721,000	782,900	792,600	792,600	792,600	792,600
Federal Funds	\$ 211,900	211,900	211,900	211,900	211,900	211,900
Total Agency Funds	\$ 2,971,600	3,550,600	3,706,900	3,836,700	3,900,600	3,965,500



## Agency Summary

### RADIATION REGULATORY AGENCY

Aubrey V Godwin, Director  
 Phone: (602) 255-4845  
 A.R.S. §§ 30-652 et seq.

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ RADIOACTIVE MATERIALS/NON-IONIZING RADIATION	531.5	521.5	521.5	521.5
➤ X-RAY COMPLIANCE	675.6	758.3	949.1	1,037.7
➤ EMERGENCY RESPONSE	1,178.9	1,060.2	1,079.4	1,120.2
➤ RADIATION MEASUREMENT LABORATORY	567.0	577.5	577.5	638.1
➤ MEDICAL RADIOLOGIC TECHNOLOGY BOARD OF EXAMINERS	266.5	266.0	266.0	266.0
<b>Agency Total:</b>	<b>3,219.5</b>	<b>3,183.5</b>	<b>3,393.5</b>	<b>3,583.5</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	1,450.6	1,420.8	1,591.6	1,689.7
Other Appropriated Funds	766.4	829.8	849.8	941.7
Other Non Appropriated Funds	1,002.5	932.9	952.1	952.1
<b>Total Funding</b>	<b>3,219.5</b>	<b>3,183.5</b>	<b>3,393.5</b>	<b>3,583.5</b>
<b>FTE Positions</b>	<b>38.0</b>	<b>38.0</b>	<b>41.0</b>	<b>45.0</b>

**Program Summary**

**RADIOACTIVE MATERIALS/NON-IONIZING RADIATION**

Aubrey V Godwin, Director  
 Phone: (602) 255-4845  
 A.R.S. §§ 30-652 et seq

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	347.6	337.6	337.6	337.6
Other Appropriated Funds	183.9	183.9	183.9	183.9
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>531.5</b>	<b>521.5</b>	<b>521.5</b>	<b>521.5</b>
<b>FTE Positions</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

◆ **Goal 1** To identify and license or register all users of radioactive materials or particle accelerators in Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
New licenses and renewals	99	95	70	75	85	90
Accelerator registrations	66	75	69	75	75	80
Accelerator registration actions	62	40	49	45	50	55
Customer satisfaction rating	7.3	7.6	7.6	7.6	7.6	7.6

◆ **Goal 2** To identify and register all new users of non-ionizing radiation sources in Arizona and renew registrations as appropriate.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Non-ionizing radiation registrations, active.	893	950	999	1,050	1,200	1,400
Non-ionizing radiation registration actions.	241	300	637	650	700	750

◆ **Goal 3** To inspect all users of radioactive materials or particle accelerators according to Agency regulations.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of radioactive materials inspections	159	150	172	150	150	150
Accelerator inspections	31	35	14	35	35	35

◆ **Goal 4** To inspect NIR users to assure conformance with radiation safety regulations

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Non-ionizing radiation licenses inspected	10	75	73	75	150	150

**Explanation:** Staff shortage due to budget restrictions has reduced the number of inspections.

◆ **Goal 5** To show agency-wide goals and objectives as shown in Budget Act.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Administration as a per cent of total expenditures	10.5	11.9	11.95	11.9	10.7	10.5

**Program Summary**

**X-RAY COMPLIANCE**

Aubrey V Godwin, Director  
 Phone: (602) 255-4845  
 A.R.S. §§ 30-652 et seq

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	301.8	291.8	462.6	459.3
Other Appropriated Funds	204.9	268.8	288.8	380.7
Other Non Appropriated Funds	168.9	197.7	197.7	197.7
<b>Total Funding</b>	<b>675.6</b>	<b>758.3</b>	<b>949.1</b>	<b>1,037.7</b>
<b>FTE Positions</b>	<b>14.0</b>	<b>14.0</b>	<b>17.0</b>	<b>19.0</b>

◆ **Goal 1** To register all x-ray tubes within the State of Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
X-Ray tubes registered	14,861	15,000	15,135	15,200	15,400	15,400

◆ **Goal 2** To inspect all x-ray tubes to ensure continuous compliance with health and safety standards.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of x-ray tubes inspected	17	17	11.5	14	14	16

**Explanation:** As the number of x-ray tubes increases a fixed number of inspectors will inspect a smaller percent of the total.

X-ray machines inspected	2,467	2,300	1,695	1,800	1,800	2,000
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**Explanation:** The number of available inspectors limits the number of inspections.

Percent of x-ray tubes overdue for inspection	23.4	33	39	38	36	35
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**Explanation:** Staffing shortages will force the percentage overdue for inspection to increase.

◆ **Goal 3** To certify facilities using mammography equipment in accordance with Federal legislation.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of mammography facilities certified	162	160	156	160	160	160

◆ **Goal 4** To improve efficiency of subprogram database changes and tracking of applications.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Database changes	2407	2,700	2,294	2,800	2,800	2,800

**Program Summary**

EMERGENCY RESPONSE

Aubrey V Godwin, Director  
 Phone: (602) 255-4845  
 A.R.S. §§ 30-652 et seq

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	716.0	716.0	716.0	756.8
Other Appropriated Funds	13.2	13.2	13.2	13.2
Other Non Appropriated Funds	449.7	331.0	350.2	350.2
<b>Total Funding</b>	<b>1,178.9</b>	<b>1,060.2</b>	<b>1,079.4</b>	<b>1,120.2</b>
<b>FTE Positions</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>6.0</b>

◆ **Goal 1** To respond effectively to any radiological incidents or accidents within Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Radiological incidents (non-Palo Verde related)	19	20	22	20	20	25

**Explanation:** Includes the Fukushima event in Japan.

Radiological incidents (Palo Verde related)	1	1	1	1	1	1
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◆ **Goal 2** To promote Agency radiological incident response capabilities within the State's HAZMAT community.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of contact procedure pamphlets distributed to users	3,500	4,000	3,500	3,500	3,500	3,500
Number of assistance requests (state, local or federal agency)	20	20	20	20	20	20
Number of Spent Nuclear Fuel or Large Quantity Radioactive Material Shipments	77	55	69	60	60	60

◆ **Goal 3** To continually maintain a pool of trained volunteers from state, county and local government agencies for emergency response to radiological accidents or incidents at the Palo Verde Nuclear Generating Station.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of monitoring team members	60	75	84	85	85	85

◆ **Goal 4** To ensure that HAZMAT teams around the state are capable of effective first response to incidents involving radioactive materials. During radiation emergencies or terrorist events provide technical expertise to the response activities.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of instrument kits distributed to qualified teams	150	190	80	20	25	25

**Explanation:** WIPP terminated their support of a shipment route in AZ.

Number of response team members trained	450	500	350	325	325	325
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**Explanation:** WIPP closed AZ shipping route.

**Program Summary**

RADIATION MEASUREMENT LABORATORY

Aubrey V Godwin, Director  
 Phone: (602) 255-4845  
 A.R.S. §§ 30-652 et seq

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	85.2	75.4	75.4	136.0
Other Appropriated Funds	97.9	97.9	97.9	97.9
Other Non Appropriated Funds	383.9	404.2	404.2	404.2
<b>Total Funding</b>	<b>567.0</b>	<b>577.5</b>	<b>577.5</b>	<b>638.1</b>
<b>FTE Positions</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>8.0</b>

◆ **Goal 1** To analyze environmental samples to ensure that no radioactivity beyond background is present.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of environmental sample analyses	2,000	4,000	1,500	2,000	2,000	2,000

◆ **Goal 2** To analyze radon test canisters for the presence of radon in public schools above the recommended action level established by the U.S. Environmental Protection Agency (EPA).

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Radon canisters analyzed	802	500	1,200	1,000	1,000	1,000

◆ **Goal 3** To monitor statewide population centers and mining concerns for radiation.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
TLD monitoring sites	51	51	51	51	100	100

**Explanation:** Statewide monitoring program stopped in 2009 due to budget restraints. Only monitoring PVNGS at present.

Air sampling stations throughout Arizona	8	8	8	8	16	16
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**Explanation:** Program shutdown in 2009 due to severe budget restrictions. Only monitoring PVNGS at present.

◆ **Goal 4** To maintain designation as a primacy laboratory for valid data.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Designated	Yes	Yes	Yes	Yes	Yes	Yes

**Explanation:** EPA review results pending

◆ **Goal 5** To provide laboratory support to the Department of Environmental Quality drinking water and mining programs.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of water samples analyzed	80	60	50	60	60	60

◆ **Goal 6** To participate in training and respond to incidents involving radioactive material that may also be an act of terrorism.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of practices/responses	2	3	4	3	3	3

**Program Summary**

**MEDICAL RADIOLOGIC TECHNOLOGY BOARD OF EXAMINERS**

Aubrey V Godwin, Director  
 Phone: (602) 255-4845  
 A.R.S. §§ 32-2801 et seq

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	266.5	266.0	266.0	266.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>266.5</b>	<b>266.0</b>	<b>266.0</b>	<b>266.0</b>
<b>FTE Positions</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

◆ **Goal 1** To assure qualifications and issue certificates to qualified applicants.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Qualified technologists certified, total	7,130	7,500	7,741	7,900	8,200	8,500
Certificates issued within 60 days	3,939	4,000	4,598	4,600	4,700	4,800
Number of active medical radiologic technologist certificates	7,815	8,000	8,506	8,700	9,000	9,400

◆ **Goal 2** To enforce A.R.S. § 32-2801 et seq.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of complaints	92	100	39	50	50	55
Number of complaints resolved	30	100	12	30	30	35

◆ **Goal 3** To conduct investigations required by A.R.S. § 32-2821(B).

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of investigations	61	90	31	40	50	60

# Department of Real Estate

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# Arizona Department of Real Estate

## Strategic Plan 2013 – 2017



Janice K. Brewer  
Governor  
Judy Lowe  
Commissioner





**STATE OF ARIZONA**  
**DEPARTMENT OF REAL ESTATE**

JANICE K BREWER  
GOVERNOR

JUDY LOWE  
COMMISSIONER

2910 NORTH 44<sup>TH</sup> STREET, SUITE 100, PHOENIX, ARIZONA 85018  
PHONE: 602.771-7760 FAX: 602.468.0562

**TEAM - "TOGETHER EVERYONE ACHIEVES MORE"**

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October 15, 2012

Dear Arizonans:

As the Commissioner of the Arizona Department of Real Estate (ADRE), it is my pleasure to share with you the Department's Five Year Strategic Plan for fiscal years 2013-2017. The ADRE TEAM has invested extensive time and effort into the development of this strategic document. It is the hope of the ADRE TEAM that you will find the plan useful in developing an understanding of the critical mission of the Department in licensing and regulating one of the most vital economic forces. . .the Arizona real estate industry.

During the past few years, the Department has successfully managed budget reductions with a downsizing in every area of the Department, including staffing, we are very proud of the TEAM's ability to exceed prior year services to the real estate industry and the public. This achievement has been managed through a Partnership with the Public we protect and the real estate industry we serve. In spite of the depressed real estate market in Arizona, this Partnership has worked together to survive, and focus on preparing for the positive changes occurring in the economic environment of Arizona.

The Arizona Department of Real Estate continues to advance in serving the constituents of Arizona, whether they be real estate licensees through licensing and regulation, or the public as they strive to benefit from the improving Arizona real estate market.

This strategic plan will guide ADRE's future actions and decisions toward that end.

Sincerely,

Judy Lowe  
Commissioner  
Arizona Dept. of Real Estate



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## **ARIZONA DEPARTMENT OF REAL ESTATE (ADRE) MISSION AND VISION**

### **MISSION**

The purpose of the Department is to protect the public interest through licensure, regulation and education oversight of the real estate profession in the State of Arizona.

The Department's Vision Statement reflects this commitment to our mission. The Vision Statement reads:

The Arizona Department of Real Estate shall be:

- Technologically – The most up to date
- Procedurally – The most efficient
- Regulatory – The fairest and most effective
- Relationally – The most customer services oriented
- Organizationally – The most proficient State-level Department of Real Estate in the United States

## **EXECUTIVE SUMMARY**

### **HISTORY AND ORGANIZATION**

The regulation of the Arizona real estate industry had its beginnings in a limited manner in 1912. In 1921, the earlier licensing statutes were strengthened and expanded to focus the efforts of State Government on more thorough regulation of the real estate brokers and salespersons. 1927 saw the addition of the subdivision statutes and laws that provided for the examination of licensees. Regulation was under the jurisdiction of the Land Department until 1947. In 1947, the Real Estate Commission was formed with the Commissioner serving as Chairman.

Today, the Department of Real Estate is under the direction of the Commissioner, who is appointed by the Governor. There is a nine-member Advisory Board, also appointed by the Governor, the members of which provide advice and counsel to the Commissioner in matters related to the real estate industry and its relationship with the public and administration of the Department.

Presently the Department of Real Estate processes over 4,000 new applicants per year for licensure for brokers and salespersons in real estate, membership campground and cemetery. It is charged with the supervision of pre licensure and continuing education courses to ensure the quality and the timeliness of materials being taught, and to ensure the competence of the instructors. The Department regulates the activities of licensees, investigates complaints against licensees and developers and participates in administrative hearings pertaining to their conduct. Also, within the purview of the Department is the regulation of the sale of subdivided and certain un subdivided lands, timeshares, condominiums, membership campgrounds and cemeteries. The present Commissioner is Judy Lowe, appointed by Governor Janice K. Brewer in May 2009.

## **REVENUE AND FEES**

Pursuant to A.R.S. 32-2103, each year the Commissioner must revise fees in order to ensure that fee revenue contributions to the General Fund fall between 95% and 110% of the Department's appropriated budget.

Real Estate Other Funds include:

- Fund 3119 –The Real Estate Recovery Fund is established by A.R.S. §32-2186. The Fund is established for the benefit of consumers who have lost money in a real estate transaction due to misrepresentation by an Arizona broker or agent. The aggrieved client, however, must first obtain a judgment against the licensee(s) in a court of competent jurisdiction, and have not been able to collect against that judgment, before a claim to the fund may be submitted. Payment from the Fund is limited to actual losses (including attorney fees), and cannot exceed \$30,000 per transaction, with a \$90,000 maximum per licensee total payout.
- Fund 4011 – The Education Revolving Fund is established by A.R.S. §32-2107. The fund is established for the educational benefit of licensees, and the public.



## **OVERVIEW OF THE AGENCY**

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### **AGENCY DIVISIONS AND FUNCTIONS**

The **Commissioners Office/Business Services Division** is responsible for executive decisions and managerial oversight of the Department, establishes the overall regulatory and fiscal policies for the Department, and sets the strategic direction and allocation of budgetary resources to ensure that the needs of the other divisions are met in a timely and efficient manner. Included within the Commissioner's Office are the Chief of Staff, the Public Information Officer, Business Services Manager and functions of the "HUB", a team of two representatives who provide customer service to the public by answering phone calls and emails. Additionally, this Division oversees the Information Technology Department, Department Ombudsman Function, and the Department's Custodian of Records. The Commissioner's Office is also responsible for rule Making and Substantive Policy Statement Promulgation.

The **Licensing Division** processes all licensing related applications, including (but not limited to) new licenses, renewals, hires, severs, brokers, entity changes and legal presence documentation. This division also provides licensing customer service through answering phones and emails. The Division coordinates with other divisions to deny, suspend, revoke or terminate the licenses of individuals who are not of good moral character, or otherwise fail to demonstrate their qualifications for licensure.

The **Education Division** oversees the Pre Licensing Education and exam, the Continuing Education licensing requirements, and monitors the compliance of Real Estate Educators to the statutes, rules and policies. The Education Division reviews school, course, and instructor applications for real estate.

The **Investigation/Auditing and Development Services Division** includes many functions. The Investigations Section conducts formal investigations of real estate transactions and alleged wrongdoing by licensees, as well as, violations by developers/sub dividers. Violations may include mortgage fraud, forgery, misrepresentation, illegal lot splitting, lack of development as provided for in the public report, and other complaints against licensees or developers/sub dividers. Auditors conduct performance audits of real estate brokers' records to ensure that the records/trust accounts are kept in compliance with statutory mandates, and that all monies are properly accounted for. Division staff also review and process broker audit declarations (self-audits) submitted by renewing brokers. The Development Services Division examines subdivision, cemetery, timeshare, un subdivided lands and membership camping applications

and issues a public report on the development or a certificate of authority for a cemetery prior to the entities making offers for sale or lease in Arizona.

The **Enforcement and Compliance Division** receives cases from investigations, education and licensing. Settlement officers review the cases and determine the best enforcement action to take. Enforcement actions include, but are not limited to, an advisory letter of concern, civil penalties, cease and desist orders, and license suspensions. At all times possible, settlement officers attempt to resolve cases with a consent order in lieu of a hearing. This division works closely with the Attorney General's office. The Compliance section monitors licensee compliance with the consent orders.

### **COMMISSIONER PARTICIPATION IN OUTSIDE ENTITIES**

- Member, Governor's Cabinet
- Member, ARELLO
- Member, FBI Mortgage Fraud Task Force
- Co-Chair, Real Estate Committee, Arizona-Mexico Commission



## **AGENCY STRATEGIC ISSUES**

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### **Strategic Issue #1: Increase Protection to the Public**

The real estate industry, the Department, the State of Arizona, and, most importantly, the public continues to see the effects of the real estate market downturn that began in 2008. Some of the more prevalent and ongoing harmful effects of the real estate market collapse are seen in the following:

- Fraudulent real estate and subdivision schemes – i.e. short sale and distressed properties;
- Property management mishandling and/or depletion of trust accounts by licensed individuals;
- Property management schemes/violations conducted by unlicensed individuals;
- Mortgage fraud involving licensed individuals;
- Unlicensed entities in Arizona, as well as, out-of-state companies, conducting real estate activities;
- Auctions, where unlicensed individuals facilitate the sale of properties;
- Advertising violations, where misleading false and deceptive marketing is used.

As a regulatory agency charged with protecting the public, the Arizona Department of Real Estate's emphasis will be on building partnerships within the industry and with other state agencies, in serving and protecting Arizona's constituents through an attitude of supporting a TEAM (Together Everyone Achieves More) concept. This partnership will focus on "raising the bar" of the real estate industry, thus minimizing the actions that cause harm to the public and educating the public to what to be aware of in their real estate transactions.

This task will be achieved through the commitment of open communication, transparency and the sharing of information and knowledge. The Department will create a synergistic approach to problem solving by gathering feedback from all, then implementing changes and improvements as needed. Through proactive education and information broadcasting, the Department will seek to ensure public and industry awareness of fundamental laws pertaining to real estate transactions in Arizona.

The Department's focus will shift to a balanced regulation, ensuring that licensees and/or repeat offenders who are proven to have violated the law and harmed the public, are dealt with quickly and stringently, while addressing the more minor infractions that do not effect

and/or harm the public and from a more educational perspective. Additionally, the Department will continue to streamline processes, allowing for staff to work through cases thoroughly, yet efficiently and timely.

## **Strategic Issue #2: Enhance Quality of Licensee Real Estate Education**

Real estate education is a fundamental element of enhancing the highest level of knowledge and professionalism within the real estate industry, benefiting the Arizona's constituents.

Included in the real estate industry's contribution to a thriving Arizona economy are the Real Estate Educators, which are a growing business in Arizona.

Pursuant to ARS §32-2135, in addition to being responsible for issuing real estate school licenses, approving the credential of instructors and the subject matter content of courses to be taught, the Department is tasked with ensuring that, once the aforementioned has been done, all schools and instructors are complying with applicable statutes and rules thereafter. This is performed by conducting audits to ensure the information and materials being taught and distributed have been approved by the Commissioner and that certification of student attendance, and/or performance is properly documented.

A very active auditing program monitors the performance of the Real Estate Schools, their instructors and courses. This program utilizes volunteer monitors from the real estate industry who review the delivery of courses, to confirm compliance with the stated application specifics and approval guidelines from the Department.

## **Strategic Issue #3: Streamline Delivery of Service**

The Arizona Department of Real Estate strives to be a provider of responsive and reliable services to Arizona's real estate industry and the public served by this industry. The Department's efforts focus on ensuring that the delivery of quality, timely and cost-effective core services. The day-to-day activities of the Department rely on efficient internal business systems.

Although improved within the last three years, many current agency procedures for processing complaints and providing financial restitution through the Recovery Fund are labor-intensive and lengthy in duration. To the extent possible, while still adhering to statutory mandates, and with respect for the legal requirements to ensure due process, the agency will identify and implement ways to streamline and simplify these operational processes to serve the public, and industry, in a timelier manner. The Department is committed to continuous improvement of these overall processes in order to enable staff to work toward the best outcomes for those the Department serves.

The Department recognizes its accountability to the citizens of Arizona is to ensure that Department resources are being used as efficiently and effectively as possible. To this end, the Department continues to explore and implement efficiency and cost-saving strategies wherever possible, and to look for new ways to deliver services. The Department continues to review every internal process, constantly asking the question "is there a more efficient way of achieving the same result?"

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The Department must also review and revise the many forms used by the real estate industry and the public as they interact with the services provided. These forms must become more “user-friendly”.

#### **Strategic Issue #4: Maximize Technology Platform**

The Arizona Department of Real Estate’s Information Technology Infrastructure must be improved upon in order to facilitate more efficient internal processes and to keep pace with the technologically savvy real estate industry and public the Department serves. Based on the Department’s recently completed business technology assessment and the review of the State of Arizona IT Strategic Plan, the Department has developed an implementation plan to replace/update the outdated IT and communication system, providing opportunities for re-engineering appropriate business processes throughout all areas of the agency. Implementation and integration of these systems will provide faster, more efficient customer service to the public, as well as enhance staff efficiencies by reducing duplication of effort and shortening time spent on various data-gathering and verification tasks.

These improvements must be achieved in both the Department’s internal file/document management and online services development. Today, through the Department’s proprietary technology platform, a licensee can complete the renewal of their license on-line in a matter of minutes, and the original license applicant can visit the Department, or mail/scan their application documents and receive same day licensing services. The online capability must be expanded to accommodate the online license application.

The internal file management was developed years ago, and must be redesigned to today’s systems. Serving 90,000+ Arizona real estate licensees, and the dramatic reduction in staffing experienced by the Department (reduced from 72 FTE a few years ago to its current 29 FTE), technology is the catalyst that will allow the Department to continue to improve its excellent service delivery.

#### **Strategic Issue #5: Promote Committed, Skilled and Accountable ADRE Team.**

As of October 2012, the Arizona Department of Real Estate employs 29.5 FTE, with 75% of staff eligible for ASRS retirement. The ADRE has adjusted to leaner staffing levels, tighter budgets and realizes the need to have the right expertise in Department staff as more critical than ever before.

Demographic shifts will be the largest single influence on the Department workforce over the next five years, as increasing numbers of experienced employees may retire, or choose to pursue other career opportunities. The Department’s focus moving forward will continue to be on the ability to implement strategies to mitigate anticipated departures of valuable employees, to preserve and transfer the historical institutional knowledge of retiring staff, and to implement recruitment measures to attract top talent and improve on staff job satisfaction.

## **Strategic Issue #6: Adhere to Fiscal Guidelines**

In response to the fiscal crisis that began in FY08, the Department successfully accommodated the Budget cuts, the downsizing of staff, and survived with less than sufficient annual appropriations.

The Department will continue to utilize available resources, while focusing on continuing to improve on the excellent delivery of services to the real estate industry, the regulation of that industry, while striving always to protect the public.

The entire Department TEAM will always be apprised of the budget that the Department is committed to operating within, and a consistent status update on how the Department is performing.



## **AGENCY GOALS AND OBJECTIVES**

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### **Strategic Issue #1: Increase protection to the Public**

**Goal #1:** Enhance the attitude of “protecting the public”, through partnering as well as proactive education and information broadcasting to ensure public and industry awareness of fundamental laws pertaining to real estate transactions in Arizona.

#### **Strategies:**

1. Expand external communication with focus on educating the public and licensees- including content on [www.azre.gov](http://www.azre.gov), in the Department’s Bulletin, and through in-field education presentations.
2. Partner with the Designated Broker community to increase pro-active licensee supervision.

#### **Performance Measures:**

- Improved communication with licensees and public
- Publications focused on education of licensees and public
- Enhanced knowledge level of the real estate industry, and the public
- Improved Designated Broker supervision of the licensees they are responsible for supervising.

**Goal #2:** By increasing the number of proactive investigations and audits and through more expedient and efficient action on complaints/investigations, the Department will proactively monitor and enforce existing regulations, increasing penalties for proven violators, thus mitigating the ongoing potential harm to the public.

#### **Strategies:**

1. Perform a total of 2500 in-field broker audits by January 2015, and perform a total of 5000 Electronic Broker Audit Reviews by January 2015.
2. Streamline complaint/investigation/enforcement processes to affect a thorough and more timely review and determination:
  - a. Initial review of complaint received completed within 5 days of assignment.
  - b. Reduced investigation processing to an average of 90 days or less.
  - c. Reduce “pending log” to no more than 75 pending cases at the end of each month.

3. Continue coordination of efforts with the Attorney General's Office to streamline processing of referred cases, with adjudication w/in 180 days of receipt by Enforcement and Compliance (including formal hearing).
4. Review and revise if necessary, the complaint submission process.
5. Review current statutes, rule, and policy to determine need for modification to enhance authority for enforcement.

**Performance Measures:**

- Increased number of investigations/audits completed.
- Reduced average days from receipt of complaint to determination of a violation.
- Reduced average days for adjudication of cases.
- Reduced number of "pending cases" at the end of each month.
- Consumer satisfaction increase with a more "user-friendly" complaint submission process.
- Increased authority to enforce administrative action against a violator.

## **Strategic Issue #2: Enhance Quality of Licensee Real Estate Education**

**Goal #1:** Continue to improve the quality, and method of delivery of education being delivered to licensee

### **Strategies:**

1. Increase the education audits and volunteer monitor assignments, including pre licensing, continuing education, distance learning courses as well as school audits to no less than 50 audits per month by March 30, 2013. Each audit and monitor assignment shall have a review report.
2. Review and provide to the Educator community a Department policy regarding varied delivery methods for education, including video conferencing, by March 30, 2013.

### **Performance Measures:**

- Increase number of classes audited and/or monitored.
- Produce tracking of results of audits and monitored assignments.
- General Improvement in quality of class offerings and instructors based on the aggregate reporting of audits and monitoring assignments.
- Accommodation for the industry to access quality education utilizing “state of the art” delivery methods.

**Goal #2:** Review and approve all new applications and renewals of schools, courses, and instructors accurately, thoroughly and quickly.

### **Strategies:**

1. Review and approve new courses within an average of 10 business days of receiving the application.
2. Maintain a “pending approval” figure of no more than 35 at month’s end, including deficient pending.

### **Performance Measures:**

- A decrease in average days from receipt to approval of applications for schools, courses, instructors.
- Maintain an achievable “pending approval” log at all times

### **Strategic Issue #3: Streamline Delivery of Services**

**Goal #1:** Maintain high level and quality of service to all stakeholder groups in the face of increased demand generated by rapid and extended growth in population and increase in Arizona real estate activity.

#### **Strategies:**

1. Implement a Department wide script, to be used in all external communication, allowing for the Department to speak from “one voice” – completion of script by March 1, 2013.
2. Create a consistent written internal process for each division’s procedures, due for completion by June 30, 2013.
3. Review every Department form/document, modifying when necessary, and allowing for online completion and submission completed by March 30, 2013.
4. Constantly focusing on reducing any work backlogs and prepare to be ready for future increased demand.
5. Establish and monitor Department Division goals for processing and minimum standards for “pending” matters.
6. Recovery Fund claims to be reviewed within 15 days of receipt of non -deficient claim, with a determination within 30 days of receipt of a non-deficient claim.

#### **Performance Measures:**

- Consistent answers to all questions fielded by the Department.
- Productivity savings and efficiencies realized with decreased start-to-finish times for all processes.
- Increased industry/public satisfaction with forms and documents required by the Department.
- Increased public and industry satisfaction with services provided by the Department.

**Goal #2:** Review/Revise the Department website content, for credibility of content and user ease.

#### **Strategies:**

1. Update each division’s Question/Answer (Q&A) segment of website by February 30, 2013.
2. Confirm the credibility of all information on website by February 30, 2013

#### **Performance Measures:**

- Fewer phone calls and emailed questions received at the Department.
- Higher number of “hits” at [www.azre.gov](http://www.azre.gov).

## **Strategic Issue #4: Maximize Technology Platform – Internally/Externally**

**Goal #1:** Leverage new technologies to enhance productivity and efficiency in delivering services to the real estate community and the citizens of Arizona.

### **Strategies:**

1. Expand on-line capabilities in concert with State government – website; licensing; Education; Public Report.
2. Expand internal file/document/data sharing capabilities.
3. Implementing REALM II.
4. Implement digital document storage throughout the Department.

### **Performance Measures:**

- Increased industry/public usage of online services provided by agency.
- Improved Customer Service.
- Improved and more expedited processing of all internal business.
- Less paper usage and storage requirements.

## **Strategic Issue #5: Promote Committed, Skilled and Accountable Department Team**

**Goal #1:** Implement Personnel Reform, revise agency rules and policies consistent with the reform initiative, and implement and regularly monitor all State, Agency and Individual performance measures.

### **Strategies:**

1. Revise and distribute agency rules and policies consistent with the reform initiative by Jan. 1, 2013.
2. Increase average length of service of high performing employees by 5%, by June 30, 2014.
3. Increase new hire quality by 5% by June 30, 2014.
4. Implement newly developed State and Agency performance measures and modify existing individual performance measures, consistently evaluating performance by January 1, 2013.
5. Develop a Performance Incentive Pay program for approval by ADOA, with implementation by June 30, 2013.

### **Performance Measures:**

- Increased Average Length of Service
- Reduced Voluntary Turnover of High Performing Employees
- Increased promotional and/or pay rate for high performing employees
- Increased Employee job satisfaction

**Goal #2:** Enhance education opportunity and training for Department staff.

### **Strategies:**

1. Regularly schedule/calendar education opportunities and training for existing staff by Jan. 1, 2013.
2. Implement a “mentor” program to transfer historical institutional knowledge to newer employees by March 1, 2013.
3. Implement and calendar regularly scheduled “all staff” meetings by Jan. 1, 2013.

### **Performance Measures:**

- Increased knowledge level of staff.
- Increased knowledge level of new staff, with a shorter “learning curve”.



## **Strategic Issue #6: Adhere to Fiscal Guidelines**

**Goal #1:** Maintain an appropriate ratio of administrative costs in relation to the Department's Fiscal Year appropriation.

### **Strategies:**

1. Improve knowledge of and interface with the State's financial system (AFIS).
2. Provide more "user friendly" reports to Agency administration no later than Jan. 1, 2013.
3. Review and modify, where necessary, all internal monthly reports as well as methods for compiling data, no later than March 1, 2013.

### **Performance Measures:**

- Improved reporting systems and documents for Agency
- Agency compliance with Fiscal Guidelines

## **RESOURCE ASSUMPTIONS**

Resource Assumptions (agency level)						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions	59.0	37.0	37.0	39.0	40.0	40.0
General Fund	2902.2	3506.6	3506.6	3650.0	3700.0	3700.0
Other Appropriated Funds						
Non-Appropriated Funds	87.8	264.4	264.4	50.0	50.0	50.0
Federal Funds						
Total Agency Funds	2990.0	3771.0	3771.0	3700.0	3750.0	3750.0

## Agency Summary

### DEPARTMENT OF REAL ESTATE

Judy Lowe, Commissioner  
 Phone: (602) 771-7760  
 A.R.S. §§ 32-2101 et seq

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	2,626.4	2,902.2	3,506.6	3,477.1
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	143.0	143.8	275.8	275.8
<b>Total Funding</b>	<b>2,769.4</b>	<b>3,046.0</b>	<b>3,782.4</b>	<b>3,752.9</b>

<b>FTE Positions</b>	<b>55.0</b>	<b>59.0</b>	<b>42.0</b>	<b>42.0</b>
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◆ **Goal 1** To provide excellent customer service to licensees.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of department customer service surveys indicating good to excellent service	99	99	99	99	99	99

◆ **Goal 2** To review and approve new courses quickly and thoroughly.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average days from receipt to approval of school, course and instructor	11	10	10	10	10	10

◆ **Goal 3** To improve the quality of class offerings and instructors by monitoring and auditing more classes.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Classes monitored	28	150	17	25	40	75

◆ **Goal 4** To create and maintain procedures to process licenses in an efficient and timely manner.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average days from receipt of application to issuance of real estate license	1	1	1	1	1	1
Total real estate applications received	9023	27000	30298	32466	34145	30186

**Explanation:** New Applicants & Renewals

Number of real estate licensees	89590	65350	79980	79500	75000	70000
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**Explanation:** Number reflects actual count of licensees. This includes individuals, brokers, and entities.

◆ **Goal 5** To maintain the timeliness of the investigative process.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average calendar days from receipt of real estate or subdivision complaint to resolution	270	250	118	100	90	90
Total real estate or subdivision complaints investigated	796	850	852	1000	1200	1200

◆ **Goal 6** To maintain excellent customer service through the timely issuance of public reports.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
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	Actual	Estimate	Actual	Estimate	Estimate	Estimate
Average number of calendar days to issue deficiency letter on subdivision applications received	25	25	25	25	25	25
Number of subdivision filings received	193	200	173	200	220	220

**Explanation:** Includes amendments

Average number of days to issue an improved lot public report.	20	20	20	20	20	20
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◆ **Goal 7** To maintain an appropriate ratio of administrative costs in relation to the Department's appropriation.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percentage of administrative costs	11.1	11.1	11.1	7.4	8.0	8.0

**Explanation:** Includes Information Technology, Budget, Policy, Human Resources, and Operations

◆ **Goal 8** To perform 2,500 in-field broker audits and/or electronic broker audit reports (EBARs) by FY 2016.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of in-field broker audits performed.	0	0	60	208	416	416
Number of Electronic Broker Audit Reports (EBARs) conducted.	0	0	68	300	600	600

# Residential Utility Consumer Office

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## **RESIDENTIAL UTILITY CONSUMER OFFICE Five-Year Plan**

### **Mission Statement:**

To represent the interests of residential ratepayers before the Arizona Corporation Commission and advocate for reasonable utility rates and reliable, safe utility service.

### **Agency Description:**

The Residential Utility Consumer Office (RUCO) is an agency comprised mainly of attorneys and financial analysts. RUCO participates in matters before the Corporation Commission regarding utility rate increases, renewable energy standards, and Commission rulemaking. RUCO reviews utility financial records, conducts discovery, offers testimony and presents witnesses at evidentiary hearings to argue positions in favor of residential utility ratepayers.

### **Strategic Issues:**

#### **Issue 1      Provide highly effective advocacy for Arizona families and individuals in maintaining fair utility bills**

Since RUCO's creation 30 years ago, RUCO's primary job has been to review and challenge a regulated utility's request to increase rates. RUCO also gets involved in other rate-related proceedings where ratepayers' interests are at stake. For example, RUCO participates in acquisitions and mergers, debt financing applications and energy efficiency implementation applications. Almost every state has a RUCO-like consumer advocate office that advocates for the interests of residential ratepayers before its state public utilities commission. RUCO provides evidence-based, sworn testimony before the Corporation Commission in support of reasonable rates.

#### **Issue 2      Balance the need for reasonable rates and the desire for cleaner, greener utility operations through renewable energy sources**

The Arizona Corporation Commission has issued Rules that require electric utilities to acquire at least 15% of their electricity from renewable sources by the year 2025. To meet this requirement, the Commission has authorized electric utilities to assess a surcharge on ratepayers' bills to cover these additional costs. RUCO supports efforts to increase the amount of solar, wind and other renewable energy generated and consumed in Arizona. However, RUCO advocates that the funds dedicated for this purpose be used to maximize the amount of renewable energy being generated for the least cost.

**Issue 3      Participate in Commission proceedings regarding possible changes to ratemaking methodology.**

The Corporation Commission has initiated several workshops addressing cost recovery of plant placed in service in between rate cases, the treatment of tax liability of pass through entities, energy efficiency programs and other related issues. RUCO submits expert testimony and takes positions that align with its primary directive to promote fair rates and a reliable service.

**Strategies:**

Utility rate regulation is a highly specialized area of law and accounting. Arizona residential ratepayers benefit from a highly skilled RUCO staff of attorneys and financial analysts. RUCO's strategic goal is the following:

- (1) Continue to provide high quality advocacy by conducting thorough discovery, filing well-reasoned witness testimony and legal briefs, and participating in settlement negotiations.
- (2) Focus on continued professional development of RUCO staff through in-house training and attendance at seminars and conferences.
- (3) Trips into the field to inspect water delivery infrastructure, large utility-scale solar projects and traditionally-fueled power plants.
- (4) Utilize outside professional witnesses to supplement RUCO's in-house expertise when needed.

**Resource Assumptions:**

<b>Residential Utility Consumer Office – Resource Assumptions</b>						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions	11	11	11	11	11	11
General Fund	-0-	-0-	-0-	-0-	-0-	-0-
Other Appropriated Funds	1,299,900	1,299,900	1,299,900	1,299,900	1,299,900	1,299,900
Non-Appropriated Funds	-0-	-0-	-0-	-0-	-0-	-0-
Federal Funds	-0-	-0-	-0-	-0-	-0-	-0-
Total Agency Funds	1,299,900	1,299,900	1,299,900	1,299,900	1,299,900	1,299,900



## Agency Summary

### RESIDENTIAL UTILITY CONSUMER OFFICE

Jodi A. Jerich, Director  
 Phone: (602) 364-4838  
 A.R.S. §§ 40-461 et. seq.

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,054.0	1,299.9	1,299.9	1,299.9
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,054.0</b>	<b>1,299.9</b>	<b>1,299.9</b>	<b>1,299.9</b>

FTE Positions	11.0	11.0	11.0	11.0
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- ◆ **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	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of cases analyzed	27	30	26	30	30	30
RUCO interventions in rate making	6	5	2	5	3	3

- ◆ **Goal 2** To secure for residential utility ratepayers the lowest reasonable rates.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of utility rate hearings	1	7	9	7	6	6
Number of utility hearings	3	11	13	12	12	12
Average rate increase requested by utilities (millions)	73.7	201.4	28.8	33.0	10.0	10.0
Average rate increase recommended by RUCO (millions)	43.4	140.5	6.9	8.0	4.0	4.0
Average rate increase approved by ACC (millions)	45.1	127.3	10.9	12.5	6.0	6.0
Percent variance between utilities' request for rate increases and the actual ACC authorized rates	39	37	62	62	40	40

- ◆ **Goal 3** To protect residential consumer interests in matters involving competitive issues before the Arizona Corporation Commission.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
RUCO interventions in cases involving competitive issues	0	0	1	0	0	0
Administration as a percentage of total cost	4.0	4.0	4.0	4.0	4.0	4.0
Customer satisfaction rating for residential utility customers (scale 1-8)	7	7	7	7	7	7

# Board of Respiratory Care Examiners

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## ARIZONA BOARD OF RESPIRATORY CARE EXAMINERS

### FIVE YEAR STRATEGIC PLAN

#### MISSION:

The Board of Respiratory Care Examiners regulates the practice of respiratory care in Arizona. Respiratory Care Practitioners work in therapeutic, surgical, and/or clinical settings to monitor respiration and lung health, as well as to diagnose and treat disorders. The Board examines and licenses respiratory care practitioners based on minimum competency standards set by the Legislature. Additionally, the Board enforces state laws, rules, and regulations set forth to ensure public safety and investigates complaints filed against a member of the professional community.

The Board's mission is evident in the Legislative Intent clause provided at the time the Board was created in 1990:

“The Legislature finds and declares that the practice of respiratory care in this state affects the public health, safety and welfare and should be subject to regulation and control by the Board of Respiratory Care Examiners in the public interest to protect the public from unauthorized and unqualified practice of respiratory care and from unprofessional conduct by persons licensed to practice respiratory care.”

#### VISION:

The vision of the Board is the protection of the public by providing licensing and regulatory compliance with its' statutory and administrative code mandates.

#### AGENCY DESCRIPTION:

The Board of Respiratory Care Examiners consists of seven members appointed by the governor, as follows:

- 3 - Licensed Respiratory Care Practitioners
- 2 - Public members who are not engaged, directly or indirectly, in the provision of health care services.
- 1 - Licensed Physician Knowledgeable in Respiratory Care
- 1 - Hospital Administrator

In addition the Board is staffed by four (4) permanent FTE's including an Executive Director, Investigator, Licensing Administrator and Administrative Assistant. These staff positions conduct all operational functions for the Board; including Administrative, Budget, Licensing, Investigative and compliance.

AGENCY CORE VALUES:

1. Teamwork and professionalism
2. Integrity
3. Efficient and respectful customer service
4. Commitment to excellence

STRATEGIC ISSUES:

1. Manage Fiscal Year 2013 and subsequent appropriations to cover all anticipated expenditures.

GOALS:

- A. Reduce expenditures in anticipation of failure of supplemental budget request.

The Board will be exploring and striving to find ways that can create efficiency while continuing to provide accurate information when providing licensing services to applicants. The Board will evaluate and identify areas for improvement that will allow for a more expeditious licensing process for applicants. The Board must maintain its high standards to provide adequate public protection but will seek to find methods of obtaining accurate information for licensure requirements in a more timely manner.

Objective 1: Reduce total expenditures by 38,000 before end of this fiscal year.

- B. Reduce expenditure without reducing average times for completion of investigation and issue licenses.

Objective 1: To reduce the average number of day to resolve a complaint, by a least 2 days per year.

To identify, evaluate and incorporate policies and processes that will allow us to decrease the average complaint processing time (from receipt to closure/resolution) in each of the next five (5) years.

- C. To identify and increase efficiencies in the day to day operations of the agency, the regulatory statutes and rules, and to maximize the use of information technology for providing information to our licensees, the public and other stakeholders.

Objective 1: Add at least one function to website that allows licensee and stakeholder interaction per year. Year 1 will be automatic license verifications.

## Agency Summary

### BOARD OF RESPIRATORY CARE EXAMINERS

Jack Confer, Executive Director  
 Phone: (602) 542-5995  
 A.R.S. §§ 32-3521 to 32-3558

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	309.3	257.6	306.6	267.6
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>309.3</b>	<b>257.6</b>	<b>306.6</b>	<b>267.6</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

◆ **Goal 1** To process licensing and renewal tasks in a timely, accurate manner while increasing efficiency and utilizing electronic tools.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
New and temporary licenses issued	426	520	417	520	600	610
<b>Explanation:</b> Total number of licenses issued						
Average number of days from receipt to granting a temporary license	1	1	2	1.5	1.5	1
<b>Explanation:</b> Average number of days from receipt to granting a temporary license						
Total number of applications for permanent licenses	1,712	1,700	1710	1810	1700	1700

◆ **Goal 2** To ensure the placement of each allegation of professional misconduct on the Board's agenda for review in a timely manner.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total number of complaints received	133	120	112	130	145	155
<b>Explanation:</b> Total number of complaints received						
Average days from receipt of complaint to resolution	160	160	143	160	100	90
<b>Explanation:</b> Average number of day to close a complaint						
Average monthly backlog of complaints not yet resolved	7	8	12	10	10	10
<b>Explanation:</b> Total number of complaints pending from month to month						
Number of licenses revoked or suspended	10	15	9	10	10	10
<b>Explanation:</b> Total number of licenses revoked or suspended						
Total number of practitioners investigated	133	110	112	130	135	140
Percent of investigations resulting in disciplinary or enforcement action	60	65	18	20	20	20
Total percent of licensees receiving disciplinary action	3	3	2	2	2	2

# State Retirement System

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Agency Summary

### STATE RETIREMENT SYSTEM

Paul Matson, Director  
 Phone: (602) 240-2031  
 A.R.S. § 38-712

#### 5-Year Plan: Not Prepared by Agency

#### Mission:

*To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.*

#### Description:

The Arizona State Retirement System provides pension, survivor, disability, health insurance, and educational services for most public sector employers in Arizona, including state universities and colleges, public school districts, and state and local governments.

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ MEMBER SERVICES	19,431.1	19,271.0	20,683.0	21,305.0
➤ ADMINISTRATION AND SUPPORT	8,835.3	8,568.3	8,493.3	8,583.3
➤ INVESTMENT MANAGEMENT	69,120.1	67,892.2	70,885.2	74,606.2
<b>Agency Total:</b>	<b>97,386.5</b>	<b>95,731.5</b>	<b>100,061.5</b>	<b>104,494.5</b>
<b>Funding:</b>				
	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	24,402.3	24,016.5	26,149.5	26,686.5
Other Non Appropriated Funds	72,984.2	71,715.0	73,912.0	77,808.0
<b>Total Funding</b>	<b>97,386.5</b>	<b>95,731.5</b>	<b>100,061.5</b>	<b>104,494.5</b>
<b>FTE Positions</b>	<b>236.0</b>	<b>233.9</b>	<b>245.9</b>	<b>245.9</b>

**Program Summary**

**MEMBER SERVICES**

Anthony Guarino, Deputy Director, Chief Operations Officer  
 Phone: (602) 240-2077  
 A.R.S. § 38-712

**Mission:**

*To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.*

**Description:**

The Member Services Program is comprised of the Member Services, Financial Services, and Information Services Divisions of the ASRS. These three divisions are collectively responsible for delivering services to ASRS members.

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	15,567.0	15,254.6	17,387.6	17,924.6
Other Non Appropriated Funds	3,864.1	4,016.4	3,295.4	3,380.4
<b>Total Funding</b>	<b>19,431.1</b>	<b>19,271.0</b>	<b>20,683.0</b>	<b>21,305.0</b>
<b>FTE Positions</b>	<b>184.0</b>	<b>184.0</b>	<b>196.0</b>	<b>196.0</b>

◆ **Goal 1** To ensure that members receive calculations and disbursements timely, consistently, and accurately.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percentage of new retirees receiving initial payments within 10 business days of retirement (objective 90%)	90	90	94	90	90	90
Percent of overall member satisfaction with the retirement application process for new retirees (objective 90%)	97	90	96	90	90	90
Number of new retirements processed	8,785	9,664	8,698	8,940	8,940	8,940
Percentage of monthly pension payments disbursed on the first day of the month (objective 98%)	99.9	98	99.9	98	98	98
Number of monthly pension payments issued (June payroll)	106,830	110,591	113,372	120,314	127,682	135,501
Number of pension adjustments completed	1,120	1,150	786	1,050	1,050	1,050
Percentage of pension adjustments processed within 20 business days of identification (objective 90%)	98	90	98	90	90	90
Percentage of refunds disbursed within 10 business days of request (objective 90%)	99	90	99	90	90	90
Percentage of refunds processed accurately (objective 100%)	100	100	100	100	100	100
Percent of overall member satisfaction with the refund process (objective 90%)	93	90	95	90	90	90
Number of refund requests received	18,894	20,783	19,935	19,900	19,900	19,900
Percentage of service purchase cost invoices distributed within 15 business days of receipt (objective 90%)	89	90	96	90	90	90



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percentage of service purchase payroll deduction agreements processed within 5 business days of receipt (objective 90%)	96	90	96	90	90	90
Percentage of service purchase cost invoices processed accurately (objective 98%)	99	98	99	98	98	98
Percent of overall member satisfaction with the service purchase process (objective 90%)	91	90	90	90	90	90
Number of service purchase cost invoices requested	7,295	7,250	4,872	6,400	6,400	6,400
Number of service purchase lump sum payments completed	5,780	5,750	3,697	4,700	4,700	4,700
Number of service purchase payroll deduction agreements completed	206	225	161	230	230	230
Percentage of service purchase lump sum payments processed within 10 business days of receipt (objective 90%)	95	90	96	90	90	90
Total number of deaths reported (retired members)	2,242	2,354	2,327	2,230	2,230	2,230
Total number of deaths reported (non-retired members)	1,336	1,403	982	1,370	1,370	1,370
Percent of overall member satisfaction with the survivor benefit process (objective 90%)	89	90	92	90	90	90

◆ **Goal 2** To offer retired and disabled members access to affordable, competitive and efficiently run health insurance and disability programs.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of enrollments and declines processed	15,152	15,400	15,976	16,000	16,000	16,000
Number of retirees receiving a premium benefit	60,897	63,942	64,883	68,000	69,000	70,000
Total amount disbursed for premium benefit (in thousands)	85,348	89,615	93,790	99,417	105,382	111,705
Number of months needed to determine eligibility for LTD	6	6	6	6	6	6
Number of open LTD claims	4,744	4,981	4,678	4,700	4,700	4,700
Number of new LTD claims	829	870	932	890	890	890
Number of late LTD claims	25	25	24	25	25	25
Percentage of overall member satisfaction with Long Term Disability program (objective 90%)	92	90	92	90	90	90

**Explanation:** Data not yet available for May - June

◆ **Goal 3** To ensure that contributions, account information, and financial data are collected, managed, and accounted for efficiently and effectively.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percentage of checks (including contributions and service purchase) deposited within 24 hours of receipt (objective 95%).	100	95	100	95	95	95
Percentage of valid invoices paid within 30 days of receipt (objective 100%).	100	100	100	100	100	100

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percentage of all invoices with a discount paid within the discount period (objective 99%).	100	99	99	99	99	99
Percentage of collected outstanding accounts receivable balance each month (objective 5%).	13	5	12	5	5	5
Percentage of employees are paid timely and accurately (objective 100%).	100	100	100	100	100	100

◆ **Goal 4** To provide members with easy and timely access to current account information and various educational services to help plan and manage their retirement.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percentage of calls answered within 20 seconds (objective 80%)	43	80	61	80	80	80
Percent of telephone inquiries answered accurately (objective 95%)	98	95	98	95	95	95
Percentage of overall member satisfaction with Telephone Service at the Arizona State Retirement System (objective 90%)	97	90	95	90	90	90
Number of calls received	252,360	258,669	223,617	215,000	210,000	210,000
Percent of calls abandoned by caller (objective 5% or fewer)	10	5	7	5	5	5
Percentage of overall member satisfaction with Know Your Benefits meetings (objective 90%)	99.6	90	99.5	90	90	90
Percentage of overall member satisfaction with Getting Ready for Retirement meetings (objective 90%)	99.7	90	99.7	90	90	90
Total number of Know Your Benefits meetings (statewide)	62	65	46	48	48	48
Total number of Know Your Benefits meeting attendees (statewide)	2,096	2,201	1,213	1,440	1,440	1,440
Total number of Getting Ready for Retirement meetings (statewide)	229	240	302	320	340	360
Total number of Getting Ready for Retirement meeting attendees (statewide)	5,741	6,028	6,059	6,100	6,450	6,800
Percentage of overall member satisfaction with walk-in counseling (objective 90%)	97.1	90	97	90	90	90
Total number of walk-ins (Phoenix and Tucson)	31,761	33,349	28,522	26,000	25,000	24,000
Percentage of walk-in customers served within 15 minutes of arrival (Phoenix and Tucson offices) (objective 80%)	84	80	88	80	80	80

**Program Summary**

**ADMINISTRATION AND SUPPORT**

Anthony Guarino, Deputy Director, Chief Operations Officer

Phone: (602) 240-2077

A.R.S. § 38-712

**Mission:**

*To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.*

**Description:**

The Administration and Support Program contains the various functions necessary to support the ongoing administration of the ASRS. These functions include the Director's Office, Legal, Internal Audit, Administrative Services (Budget, Procurement, Training, Human Resources), and External Affairs Divisions (Communications, Employer Relations, Government Relations).

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	7,449.1	7,116.1	7,116.1	7,116.1
Other Non Appropriated Funds	1,386.2	1,452.2	1,377.2	1,467.2
<b>Total Funding</b>	<b>8,835.3</b>	<b>8,568.3</b>	<b>8,493.3</b>	<b>8,583.3</b>
<b>FTE Positions</b>	<b>41.0</b>	<b>38.9</b>	<b>38.9</b>	<b>38.9</b>

- ◆ **Goal 1** To foster member and stakeholder trust and confidence in the ASRS through effective communications, mutually beneficial relations, and a forward-looking legislative agenda.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of employers enrolled with the ASRS	732	767	707	710	710	710
Number of employer conferences/workshops held	28	25	27	25	25	25
Number of individual employer meetings held	40	40	16	25	25	25
Percentage of members who "agree" or "strongly agree" that ASRS employees provide good service to members (objective 90%)	98	80	98	90	90	90
Percentage of members who "agree" or "strongly agree" that the ASRS keeps its members informed of matters that affect them (objective 90%)	97	80	95	90	90	90
Percentage of members who "agree" or "strongly agree" that the ASRS is pleasant and easy to do business with (objective 90%)	98	80	98	90	90	90

- ◆ **Goal 2** To ensure that administrative services are in place to support: an effective operating cost structure and budget; and a work force that reflects agency values and is capable of consistent high performance.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of months in which permanent staffing levels were 90 percent or higher (objective 6)	10	6	2	6	6	6

**Explanation:** Includes consultant and temporary workers

**Program Summary**

**INVESTMENT MANAGEMENT**

Gary Dokes, Chief Investment Officer  
 Phone: (602) 240-2180  
 A.R.S. § 38-719

**Mission:**

*To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.*

**Description:**

The Investment Management Program is responsible for overseeing the investment of the ASRS assets.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,386.2	1,645.8	1,645.8	1,645.8
Other Non Appropriated Funds	67,733.9	66,246.4	69,239.4	72,960.4
<b>Total Funding</b>	<b>69,120.1</b>	<b>67,892.2</b>	<b>70,885.2</b>	<b>74,606.2</b>
<b>FTE Positions</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>

◆ **Goal 1** To achieve a total fund rate of return equal to or greater than the actuarial assumed interest rate.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of investment returns	24.6	8.0	1.3	8.0	8.0	8.0

**Explanation:** one-year return figure

10-Year rolling annual rate of return on total fund assets (%)	5.2	8.0	6.3	8.0	8.0	8.0
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◆ **Goal 2** To achieve a total fund rate of return equal to or greater than the Asset Allocation Benchmark.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Annualized rate of return	24.6	8.0	1.3	8.0	8.0	8.0
Excess return measured against strategic asset allocation benchmark	0.2	n/a	-0.1	n/a	n/a	n/a
3-year rolling annual rate of return	5.2	8.0	13.2	8.0	8.0	8.0
3-Year excess return measured against strategic asset allocation benchmark	0.8	n/a	0.6	n/a	n/a	n/a

◆ **Goal 3** To achieve a total fund rate of return equal to or greater than the amount projected in the most recent asset allocation study.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
5-Year rolling annual rate of return	4.8	8.0	1.8	8.0	8.0	8.0
5-Year excess return measured against strategic asset allocation benchmark	-3.8	n/a	-7.1	n/a	n/a	n/a

◆ **Goal 4** To achieve asset class net rates of return equal to or greater than their respective broad asset class benchmarks.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Annualized rate of return for domestic equity	33.8	n/a	2.8	n/a	n/a	n/a

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Excess domestic equity return measured against benchmark	1.1	n/a	-0.9	n/a	n/a	n/a
Annualized rate of return for international equity	29.8	n/a	-13.1	n/a	n/a	n/a
Excess international equity return measured against benchmark	-1.0	n/a	0.8	n/a	n/a	n/a
Annualized rate of return for fixed income	5.0	n/a	8.1	n/a	n/a	n/a
Excess fixed income return measured against benchmark	0.4	n/a	0.6	n/a	n/a	n/a
Annualized rate of return for GTAA	28.6	n/a	2.4	n/a	n/a	n/a
Excess GTAA return measured against benchmark	5.7	n/a	0.3	n/a	n/a	n/a
Annualized rate of return for real estate	16.7	n/a	12.3	n/a	n/a	n/a
Excess real estate return measured against benchmark	-3.5	n/a	-2.4	n/a	n/a	n/a
Annualized rate of return for private equity	17.1	n/a	15.4	n/a	n/a	n/a
Excess private equity return measured against benchmark	-8.7	n/a	15.6	n/a	n/a	n/a
Annualized rate of return for opportunistic investments	18.6	n/a	2.9	n/a	n/a	n/a
3-year rolling annual rate of return for domestic equity	5.7	n/a	17.5	n/a	n/a	n/a
3-year rolling annual excess domestic equity return measured against benchmark	1.1	n/a	0.3	n/a	n/a	n/a
3-year rolling annual rate of return for international equity	0.6	n/a	7.3	n/a	n/a	n/a
3-year rolling annual excess international equity return measured against benchmark	0.4	n/a	-0.4	n/a	n/a	n/a
3-year rolling annual rate of return for fixed income	7.3	n/a	8.0	n/a	n/a	n/a
3-year rolling annual excess fixed income return measured against benchmark	0.6	n/a	0.8	n/a	n/a	n/a
3-year rolling annual rate of return for GTAA	8.6	n/a	15.8	n/a	n/a	n/a
3-year rolling annual excess GTAA return measured against benchmark	4.6	n/a	3.8	n/a	n/a	n/a
3-year rolling annual rate of return for real estate	-9.5	n/a	9.8	n/a	n/a	n/a
3-year rolling annual excess real estate return measured against benchmark	-0.6	n/a	5.7	n/a	n/a	n/a
3-year rolling annual rate of return for private equity	-3.0	n/a	16.8	n/a	n/a	n/a
3-year rolling annual excess private equity return measured against benchmark	-11.6	n/a	-10.1	n/a	n/a	n/a

◆ **Goal 5** To achieve portfolio-level net rates of return equal to or greater than their respective portfolio benchmarks.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of portfolios outperforming benchmarks	39	n/a	72	n/a	n/a	n/a

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of portfolios underperforming benchmarks	62	n/a	48	n/a	n/a	n/a
Number of portfolios outperforming benchmarks (3 Years)	24	n/a	37	n/a	n/a	n/a
Number of portfolios underperforming benchmarks (3 Years)	33	n/a	48	n/a	n/a	n/a

◆ **Goal 6** To ensure sufficient monies are available to meet cash flow requirements.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Total market value of ASRS fund assets (in billions)	28.3	n/a	27.9	n/a	n/a	n/a
Total annual benefit payments (in billions)	2.5	0	2.6	n/a	n/a	n/a
Percentage of liability funded	75.8	n/a	75.7	n/a	n/a	n/a

# Department of Revenue

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# Arizona Department of Revenue

## 5 Year Strategic Plan

### FY2013 – FY2017

#### **Mission Statement**

*To serve the people of Arizona by administering tax laws with integrity, fairness and efficiency.*

The mission statement may be considered the cornerstone of the strategic planning process. It states the purpose of an organization's reason for being as well as who its customers are and what the organization intends to achieve for those customers; all in a clear and brief statement. It provides focus for the organization and defines its scope of business.

#### **Agency Description**

Pursuant to Arizona Revised Statutes Titles 42 and 43, the Department of Revenue administers and enforces the collection of individual and corporate income, transaction privilege, withholding and luxury taxes. The Department oversees the fifteen county assessors in the administration of state property tax laws.

#### **Strategic Issues**

Strategic Issues identified during the SWOT Analysis were later further defined, refined and prioritized. These strategic issues are written with a broad scope to address multiple issues across the Department. The related projects and tasks will have different start and end times as well as different markers of success and completion. Strategic issues define the overarching areas, or Strategic Priorities, of where we will put our resources.

All dollar amounts reported under the resource assumptions tables are listed in one thousands.



## Strategic Issue #1

***“ADOR will focus on updating technology, supporting software and applications to ensure efficiencies of core business processes.”***

This issue was ranked as our top priority because protecting the functionality of our core business processes is our most critical need. It is our most important issue because so much rides on our ability to process tax returns and income refunds, collect and distribute taxes, and remain compliant with federal tax requirements. Our ability to perform these most basic tasks is critical to the Department. We plan to address this strategic issue in an organized way, prioritizing tasks according to our available resources. Technology updates and requirements create on-going demands, and we plan to address them systematically.

## Strategies

Continue to replace aged hardware and software

Perform security upgrades

Replace AzTaxes website

Replace TAS applications software

Replace Accenture custom built integration technology

## Resource Assumptions

Resource Assumptions – BRITS Technology Refresh (Part 2)						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions		0	0	0	0	0
General Fund		0	0	0	0	0
Other Appropriated Funds		1,702.8,	365.4	365.4	365.4	365.4
Non-Appropriated Funds		0	0	0	0	0
Federal Funds		0	0	0	0	0
Total Agency Funds		1,702.8,	365.4	365.4	365.4	365.4

## Resource Assumptions

Resource Assumptions – IT Staff Services – BRITS Technology Refresh (Part 2)						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions		17	17	17	17	17
General Fund		0	0	0	0	0
Other Appropriated Funds		1,801.1	1,801.1	1,801.1	1,801.1	1,801.1
Non-Appropriated Funds		0	0	0	0	0
Federal Funds		0	0	0	0	0
Total Agency Funds		1,801.1	1,801.1	1,801.1	1,801.1	1,801.1

## Resource Assumptions

Resource Assumptions – BRITS IT Staff Resource Increases						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions		0	0	0	0	0
General Fund		0	0	0	0	0
Other Appropriated Funds		541.8	541.8	541.8	541.8	541.8
Non-Appropriated Funds		0	0	0	0	0
Federal Funds		0	0	0	0	0
Total Agency Funds		541.8	541.8	541.8	541.8	541.8

## Resource Assumptions

Resource Assumptions – Upgrade Cashier System						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions		0	0	0	0	0
General Fund		0	0	0	0	0
Other Appropriated Funds		339.5	46.2	46.2	46.2	46.2
Non-Appropriated Funds		0	0	0	0	0
Federal Funds		0	0	0	0	0
Total Agency Funds		339.5	46.2	46.2	46.2	46.2

## Resource Assumptions

Resource Assumptions – Imaging and Data Capture						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions		0	0	0	0	0
General Fund		0	0	0	0	0
Other Appropriated Funds		907.2	0	0	0	0
Non-Appropriated Funds		0	0	0	0	0
Federal Funds		0	0	0	0	0
Total Agency Funds		907.2	0	0	0	0

## Resource Assumptions

Resource Assumptions – AIMS (complete Audit routines and sunset SAND)						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time- equivalent (FTE) Positions		0	0	0	0	0
General Fund		888.3	36.5	36.5	36.5	36.5
Other Appropriated Funds		0	0	0	0	0
Non-Appropriated Funds		0	0	0	0	0
Federal Funds		0	0	0	0	0
Total Agency Funds		888.3	36.5	36.5	36.5	36.5

## Strategic Issue #2

***“ADOR will explore opportunities and alternatives in meeting salary needs of our talented workforce.”***

This issue is important because the Department is unable to maintain an acceptable level of trained employees to carry out the work of the core business processes. What is the Department if not our people? The reality is that current state salary levels are not competitive with other local county and city governments. We often train our employees in the basics of taxes only to have them leave state service to use their knowledge in their new jobs.

## Strategies

- Advocacy for salary increase
- Set aside budget dollars
- Use Personnel reform tools to reward top performers post Sept. 29
- Increase training and continuing education opportunities
- Reclassify Job Classifications (positions)
- Use budget efficiencies generated from technology and process improvements for pay increases

## Resource Assumptions

Resource Assumptions – Salary Increase for Talented Workforce						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions		,				
General Fund						
Other Appropriated Funds						
Non-Appropriated Funds						
Federal Funds						
Total Agency Funds		To be determined	To be determined	To be determined	To be determined	To be determined

### Strategic Issue #3

***“ADOR will establish a workforce planning program to ensure continuity of knowledge and services due to an aging workforce.”***

This issue is important because it is estimated that at least 30% of the current workforce on the national level will be eligible for retirement in the next five years. Here at the Department, more than 13% of our employees will be eligible for retirement. Most of those employees have worked at the Department for over 20 years. The vast sea of knowledge that resides in those employees’ brains cannot be measured. Policies, procedures and institutional knowledge must be captured to ensure continuity of services. The negative impact of this factor on our workforce is compounded by other non-aging employees leaving the Department to work for other jobs with higher salaries. A succession or workforce planning program must be implemented.

### Strategies

Establish an employee training program agency wide with cross training  
 Recruiting at colleges and universities/ internship programs  
 Career planning and job rotation/divisional job rotation  
 Establish a leadership training program with competitive enrollment  
 Prepare for brain drain (retiring workforce)

### Resource Assumptions

Resource Assumptions – <b>Workforce Planning</b>						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time- equivalent (FTE) Positions						
General Fund						
Other Appropriated Funds						
Non- Appropriated Funds						
Federal Funds						
Total Agency Funds		To be determined	To be determined	To be determined	To be determined	To be determined

## Strategic Issue #4

***“ADOR will establish a formal, consistent training program for its employees from basics to continuing education opportunities.”***

This issue is important because it is central to the development and satisfaction of our biggest asset; our employees. The reduction in force of 2009 gutted the training section of the Department as all of the employees in that section were laid off. With no formal, centralized training section, employees have since been trained in their working units through on-the-job training. What is lacking is the overarching, consistent training offerings as once offered by the training section. Employees continue to give the Department low marks on how training basics and continuing educational opportunities are missing from the DOR work life.

## Strategies

- Address continuing education
- Establish ADOR 101/overview training for new and current employees
- Designate office space for training
- Establish Tax Type and TAS/AzTaxes training
- Redesign Intranet website platforms
- Upgrade or replace Registrar training database
- Establish software applications training

## Resource Assumptions

Resource Assumptions – Employee Training Program						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions	2	,2	2	2	2	2
General Fund	87.1	87.1	87.1	87.1	87.1	87.1
Other Appropriated Funds	0	0	0	0	0	0
Non-Appropriated Funds	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Total Agency Funds	87.1	87.1	87.1	87.1	87.1	87.1

## Strategic Issue #5

***“ADOR will establish a formal educational program for taxpayers to assist them in meeting their tax obligations.”***

This issue is important to the Department as it addresses an area important to our taxpayers. It is critical to assist the public in meeting its tax obligations. One of the best ways to achieve this mission is through education. With the reduction in force of 2009, the Department’s Community OutReach and Education section was dismantled. All of the employees were laid off or redeployed. Since that time, there have been no formal, consistent training offerings to taxpayers. There has been no official Department presence at local tax seminars or conferences. Taxpayers relied on our employees to educate them in completing their business tax returns and inform them of changes. It was proven that an educated taxpayer base resulted in a lower error rate in their tax filings. We plan to bring this function back to get back into this much needed service.

### Strategies

- Reestablish a community outreach section
- Create an e-commerce section
- Internet outreach capability
- Create on-line CBT for external training
- Develop a plan to use social media
- Expand e-file opportunities for taxpayers
- Increase TPT on-line to 95%
- Add/buy Corporate e-file and finish Withholding e-file

### Resource Assumptions

Resource Assumptions – Establish Community Outreach and Education Program						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions	2	2	2	2	2	2
General Fund	113.2	113.2	113.2	113.2	113.2	113.2
Other Appropriated Funds	0	0	0	0	0	0
Non-Appropriated Funds	0	,0	0	0	0	0
Federal Funds	0	,0	0	0	0	0
<b>Total Agency Funds</b>	<b>113.2</b>	<b>113.2</b>	<b>113.2</b>	<b>113.2</b>	<b>113.2</b>	<b>113.2</b>



## Resource Assumptions

Resource Assumptions – TIA Phone Agents						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions		,8	8	8	8	8
General Fund		384.2	384.2	384.2	384.2	384.2
Other Appropriated Funds		0	0	0	0	0
Non-Appropriated Funds		0	0	0	0	0
Federal Funds		0	0	0	0	0
Total Agency Funds		384.2	384.2	384.2	384.2	384.2

## Resource Assumptions

Resource Assumptions – Debit Card Implementation						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions		,0	0	0	0	0
General Fund		351.0	0	0	0	0
Other Appropriated Funds		0	0	0	0	0
Non-Appropriated Funds		,0	0	0	0	0
Federal Funds		,0	0	0	0	0
Total Agency Funds		351.0	0	0	0	0

## Strategic Issue #6

***“ADOR will be proactive in identifying, addressing and averting security threats to the Department.”***

This issue is important because due to recent and ongoing elevated security risks, the Department Network needs to be protected from viruses and Spam. We, as an agency, need to take precautions to keep our Network secure and safe. While there are many things that employees can do that do not cost any money, such as not visiting any un-trusted web sites or follow links provided by unknown or un-trusted sources, there are some issues that do require additional resources. The IRS requirement that calls for data encryption is one. An external requirement such as this one also calls the shots for when we as an agency must address the issue.

## Strategies

Implement LAN encryption for IRS data  
Increase ADOR user awareness

## Resource Assumptions

Resource Assumptions – Data Encryption						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions		,0	0	0	0	0
General Fund		4,929.0	421.5	421.5	421.5	421.5
Other Appropriated Funds		,0	0	0	0	0
Non-Appropriated Funds		,0	0	0	0	0
Federal Funds		,0	0	0	0	0
Total Agency Funds		4,929.0	421.5	421.5	421.5	421.5

## Strategic Issue #7

***“ADOR will establish a program to address non-compliance issues of those taxpayers who chose to evade their tax obligations.”***

This issue is important because it is known that a significant amount of non-compliant taxpayers exist. While it is not known exactly how many there are, we do know of tax schemes and other fraudulent activities that are out there. We do not have the resources now to address all of the strategies but we plan to methodically tackle them as funding and resources become available.

## Strategies

- Create Audit selection routines
- Data capture and automated analysis
- Data matching with other agencies
- Develop strategic solution for Tobacco
- Develop strategic solution for Not-for-Profits
- Develop strategic solution for Partnerships
- Develop strategic solution for Liquor
- Develop strategic solution for Waste Tire
- Audit Platform to make Audit more efficient
- Replace Collections system
- Buy a Collector’s application
- Electronic fraud detection

## Resource Assumptions

Resource Assumptions – Temporary Collectors						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions		,60	60	60	60	60
General Fund		2,873.2	2,873.2	2,873.2	2,873.2	2,873.2
Other Appropriated Funds		0	0	0	0	0
Non-Appropriated Funds		0	0	0	0	0
Federal Funds		0	0	0	0	0
Total Agency Funds		2,873.2	2,873.2	2,873.2	2,873.2	2,873.2

## Resource Assumptions

Resource Assumptions – <b>Comprehensive Enforcement Package</b>						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time- equivalent (FTE) Positions						
General Fund						
Other Appropriated Funds						
Non- Appropriated Funds						
Federal Funds						
Total Agency Funds		To be determined	To be determined	To be determined	To be determined	To be determined

**Strategic Issue #8**

***“ADOR will be more proactive in administering its budget planning process.”***

This issue is important because it is in our best interests and those of the taxpayers if we approach the budget process more timely in the future. By working more closely with the legislature we can assist in impact studies of pending legislation as well as advocate for those bills which would impact our budget in a favorable way.

**Strategies**

- Proactive earlier contact with Governor's Office and Legislature
- Begin FY14 Decision Request
- Brace for potential loss of revenue/budget cuts (w/out temporary tax)
- Develop technology lifecycle roadmap

**Resource Assumptions**

Resource Assumptions – Proactive Budget Planning						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions						
General Fund						
Other Appropriated Funds						
Non-Appropriated Funds						
Federal Funds						
Total Agency Funds		To be determined	To be determined	To be determined	To be determined	To be determined

## Strategic Issue #9

**“ADOR will seek out strategic partnerships to improve processes and increase efficiencies.”**

This issue is important because it opens the door for learning best practices from other peers and potential partners. The Department has already worked with the newly formed Government Transformation Office. Process improvements are a mainstay of a highly evolved business. We intend to work with and learn from as many local government partners as possible.

## Strategies

Partner with the Government Transformation Office for process improvements.  
Partner with other agencies

## Resource Assumptions

Resource Assumptions – <b>Eight Temporary Appraisers (2 year project)</b>						
	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request or Estimate	FY2016 Estimate	FY2016 Estimate	FY2016 Estimate
Full-time-equivalent (FTE) Positions		8	8	8	8	8
General Fund		0	0	0	0	0
Other Appropriated Funds		890.6	829.6	829.6	829.6	829.6
Non-Appropriated Funds		0	0	0	0	0
Federal Funds		0	0	0	0	0
Total Agency Funds		890.6	829.6	829.6	829.6	829.6

## Agency Summary

### DEPARTMENT OF REVENUE

John A. Greene, Director  
 Phone: (602) 716-6090  
 A.R.S. § 42-1001 et seq.

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ SERVICE	8,327.5	8,412.2	8,796.4	8,776.4
➤ PROCESSING	7,168.2	8,135.5	9,393.7	8,135.5
➤ EDUCATION AND COMPLIANCE	22,068.5	24,129.5	35,392.8	35,538.5
➤ AGENCY SUPPORT	30,576.3	31,656.9	39,817.1	34,457.8
<b>Agency Total:</b>	<b>68,140.5</b>	<b>72,334.1</b>	<b>93,400.0</b>	<b>86,908.2</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	45,076.0	45,442.1	64,165.1	57,673.3
Other Appropriated Funds	22,631.0	26,742.0	29,084.9	29,084.9
Other Non Appropriated Funds	433.5	150.0	150.0	150.0
<b>Total Funding</b>	<b>68,140.5</b>	<b>72,334.1</b>	<b>93,400.0</b>	<b>86,908.2</b>
<b>FTE Positions</b>	<b>935.0</b>	<b>860.0</b>	<b>1,067.0</b>	<b>1,067.0</b>

**Program Summary**

SERVICE

Nick Buta, Deputy Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

**This Program Contains the following Subprograms:**

- ▶ Inquiries and Requests
- ▶ Local Jurisdictions
- ▶ Taxpayer, Executive, and Legislative Issues

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	5,912.4	4,861.3	5,245.5	5,225.5
Other Appropriated Funds	2,415.1	3,550.9	3,550.9	3,550.9
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>8,327.5</b>	<b>8,412.2</b>	<b>8,796.4</b>	<b>8,776.4</b>
<b>FTE Positions</b>	<b>145.0</b>	<b>135.0</b>	<b>143.0</b>	<b>143.0</b>

**Subprogram Summary**

INQUIRIES AND REQUESTS

Nick Buta, Deputy Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	3,508.3	2,926.1	3,310.3	3,290.3
Other Appropriated Funds	1,977.1	2,720.8	2,720.8	2,720.8
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>5,485.4</b>	<b>5,646.9</b>	<b>6,031.1</b>	<b>6,011.1</b>
<b>FTE Positions</b>	<b>105.0</b>	<b>99.0</b>	<b>107.0</b>	<b>107.0</b>

◆ **Goal 1** To ensure prompt response to taxpayers' immediate inquiries.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average wait time for all phone calls (in minutes) in the Taxpayer Information and Assistance section call center.	10:22	12:00	9:48	15:00	15:00	15:00

**Explanation:** Projections are based on current staffing.

Percent of written inquiries answered within 30 calendar days in Taxpayer Information and Assistance section	86	80	82	80	80	80
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◆ **Goal 2** To improve the processing of business license applications.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average transaction privilege tax license turnaround time (in business days).	8.0	5.0	7.9	8.0	8.0	8.0



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of transaction privilege tax license applications completed on-line.	51	30	47	45	50	50

◆ **Goal 3** To attain favorable customer service levels as evidenced by aggregate customer survey scores.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Customer satisfaction rating for Taxpayer Information and Assistance section (scale 1-5)	4.52	4.00	4.62	4.50	4.60	4.70
Customer satisfaction rating for the entire Department (scale 1-5).	3.90	4.00	4.07	4.10	4.20	4.25

#### Subprogram Summary

##### LOCAL JURISDICTIONS

Nick Buta, Deputy Quality Executive  
Phone: (602) 716-6891  
A.R.S., Title 42

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	1,616.0	1,274.7	1,274.7	1,274.7
Other Appropriated Funds	306.7	547.2	547.2	547.2
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,922.7</b>	<b>1,821.9</b>	<b>1,821.9</b>	<b>1,821.9</b>
<b>FTE Positions</b>	<b>30.0</b>	<b>26.0</b>	<b>26.0</b>	<b>26.0</b>

◆ **Goal 1** To improve the equity and uniformity of values for centrally valued properties.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of centrally valued property company compliance reviews and/or site inspections.	25	26	26	26	26	26

**Explanation:** Centrally valued properties include water/sewer, mines, railroads, telecommunications and electric companies.

#### Subprogram Summary

##### TAXPAYER, EXECUTIVE, AND LEGISLATIVE ISSUES

Nick Buta, Deputy Quality Executive  
Phone: (602) 716-6891  
A.R.S., Title 42

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	788.1	660.5	660.5	660.5
Other Appropriated Funds	131.3	282.9	282.9	282.9
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>919.4</b>	<b>943.4</b>	<b>943.4</b>	<b>943.4</b>
<b>FTE Positions</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>

◆ **Goal 1** To provide timely and accurate information to the Governor's Office, legislature, and the public.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Department of Revenue						

Dollars are listed in thousands,  
as requested by agencies.

	Actual	Estimate	Actual	Estimate	Estimate	Estimate
Percent of Hearing Office Decisions issued within 65 calendar days of the hearing or last memo due date (in cases conducted by memoranda).	98	100	100	100	100	100
Percent of taxpayer referrals responded to by the Problem Resolution Officer within 24 hours from the time the referral was received.	64.9	65.0	85.7	65.0	70.0	70.0

**Explanation:** Responses are defined as telephone calls, e-mails or messages left on voice mail.

Program Summary	
PROCESSING	
Nick Buta, Deputy Quality Executive	
Phone: (602) 716-6891	
A.R.S., Title 42	

Funding:	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
General Funds	3,620.3	4,893.1	6,151.3	4,893.1
Other Appropriated Funds	3,547.9	3,242.4	3,242.4	3,242.4
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>7,168.2</b>	<b>8,135.5</b>	<b>9,393.7</b>	<b>8,135.5</b>
<b>FTE Positions</b>	<b>147.0</b>	<b>117.0</b>	<b>117.0</b>	<b>117.0</b>

◆ **Goal 1** To improve the timeliness of payment processing.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of payments deposited within five business days.	95	95	97	95	95	95

**Explanation:** This measure tracks payments deposited for all four tax types.

Average turnaround time for deposits (in business days).	1.2	2.0	.69	2.0	1.5	1.5
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◆ **Goal 2** To process Individual Income and Transaction Privilege Tax (TPT) returns in a timely manner.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Average number of calendar days to process an Individual Income tax return.	4.2	7.0	4.0	4.0	4.0	4.0

**Explanation:** The process time is defined as the time between when the Department receives the return and posts the return to the taxpayer's account.

Total tax documents processed (in millions).	5.6	5.5	5.6	5.5	5.5	5.5
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**Explanation:** Documents are defined as all paper and electronic returns for all four tax types.

◆ **Goal 3** To process all Individual Income tax refunds in a timely manner.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Average calendar days to refund total Individual Income tax checks (paper warrants and electronic deposits)	9.7	7.0	9.2	7.0	9.0	9.0

**Program Summary**

EDUCATION AND COMPLIANCE

Nick Buta, Deputy Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

**This Program Contains the following Subprograms:**

- ▶ Education and Outreach
- ▶ Audit and Assessing
- ▶ Collections
- ▶ Enforcement

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	14,599.1	15,432.8	26,696.1	26,841.8
Other Appropriated Funds	7,335.6	8,546.7	8,546.7	8,546.7
Other Non Appropriated Funds	133.8	150.0	150.0	150.0
<b>Total Funding</b>	<b>22,068.5</b>	<b>24,129.5</b>	<b>35,392.8</b>	<b>35,538.5</b>
<b>FTE Positions</b>	<b>410.0</b>	<b>367.0</b>	<b>549.0</b>	<b>549.0</b>

**Subprogram Summary**

EDUCATION AND OUTREACH

Nick Buta, Deputy Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	78.8	78.8	78.8
Other Appropriated Funds	0.0	34.4	34.4	34.4
Other Non Appropriated Funds	10.8	0.0	0.0	0.0
<b>Total Funding</b>	<b>10.8</b>	<b>113.2</b>	<b>113.2</b>	<b>113.2</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

◆ **Goal 1** To increase taxpayer transactions conducted electronically.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of all tax dollars received electronically.	70.4	70.0	79.0	75.0	75.0	75.0
To increase taxpayer income filings conducted electronically by 5% annually.	13.8	5.0	8.4	5.0	5.0	5.0

◆ **Goal 2** To improve voluntary compliance in the filing of tax returns.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of money remitted voluntarily as a percentage of total receipts.	96.02	96.60	96.30	96.40	96.50	96.60

**Explanation:** The FY2012 actual result is calculated using a preliminary gross revenue number; the actual FY2012 gross revenue data will not be available until the publication of DOR's 2012 Annual Report.

**Subprogram Summary**

AUDIT AND ASSESSING

Nick Buta, Deputy Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	8,004.9	8,684.0	15,416.4	15,417.7
Other Appropriated Funds	4,721.6	5,694.7	5,694.7	5,694.7
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>12,726.5</b>	<b>14,378.7</b>	<b>21,111.1</b>	<b>21,112.4</b>
<b>FTE Positions</b>	<b>207.0</b>	<b>196.0</b>	<b>288.0</b>	<b>288.0</b>

◆ **Goal 1** To increase the quality of the audit programs.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of final Individual Income tax audit assessment amounts compared to the initial assessment amounts.	90.8	87.0	87.8	87.9	88.0	89.0

**Subprogram Summary**

COLLECTIONS

Nick Buta, Deputy Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	6,005.6	6,075.7	10,467.0	10,619.9
Other Appropriated Funds	2,195.9	2,294.8	2,294.8	2,294.8
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>8,201.5</b>	<b>8,370.5</b>	<b>12,761.8</b>	<b>12,914.7</b>
<b>FTE Positions</b>	<b>185.0</b>	<b>152.0</b>	<b>240.0</b>	<b>240.0</b>

◆ **Goal 1** To improve the quality of collection activities.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of non-audit revenue to total revenue	98.89	98.50	99.1	98.5	98.6	98.7

**Explanation:** The FY2012 result was calculated using a preliminary gross revenue number; FY2012 gross revenue data will not be available until the publication of DOR's 2012 Annual Report.

Percent of accounts that collector contacts within 30 calendar days of that account being assigned a delinquent account	100	100	100	100	100	100
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**Explanation:** With BRITS automation, letters are sent to every taxpayer upon being assigned as a delinquent account. The Department considers letters as contacts.

◆ **Goal 2** To increase fiscal efficiencies.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Department of Revenue						

	<u>Actual</u>	<u>Estimate</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
Ratio of net enforcement revenue collected per total Department general fund dollar spent.	7.24	7.30	6.69	6.75	6.70	6.75

**Explanation:** This measure means that the Department's enforcement program collected \$6.69 for each general fund dollar spent in FY2012.

**Subprogram Summary**

ENFORCEMENT

Nick Buta, Deputy Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	588.6	594.3	733.9	725.4
Other Appropriated Funds	418.1	522.8	522.8	522.8
Other Non Appropriated Funds	123.0	150.0	150.0	150.0
<b>Total Funding</b>	<b>1,129.7</b>	<b>1,267.1</b>	<b>1,406.7</b>	<b>1,398.2</b>
<b>FTE Positions</b>	<b>18.0</b>	<b>17.0</b>	<b>19.0</b>	<b>19.0</b>

◆ **Goal 1** To promote and enforce the legal sale and distribution of tobacco products.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of retailer and distributor tobacco inspection visits completed.	1,891	1,600	3,092	2,500	2,600	2,700

**Explanation:** All inspection visits serve multi-purposes including providing education, fulfilling legislative requirements, and identifying non-compliance.

**Program Summary**

AGENCY SUPPORT

Nick Buta, Deputy Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

**This Program Contains the following Subprograms:**

- ▶ Human Resources
- ▶ Information Services
- ▶ Support Services

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	20,944.2	20,254.9	26,072.2	20,712.9
Other Appropriated Funds	9,332.4	11,402.0	13,744.9	13,744.9
Other Non Appropriated Funds	299.7	0.0	0.0	0.0
<b>Total Funding</b>	<b>30,576.3</b>	<b>31,656.9</b>	<b>39,817.1</b>	<b>34,457.8</b>
<b>FTE Positions</b>	<b>233.0</b>	<b>241.0</b>	<b>258.0</b>	<b>258.0</b>

**Subprogram Summary**

HUMAN RESOURCES

Nick Buta, Deputy Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	186.1	318.7	318.7	318.7
Other Appropriated Funds	68.8	123.1	123.1	123.1
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>254.9</b>	<b>441.8</b>	<b>441.8</b>	<b>441.8</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>

◆ **Goal 1** To increase the level of employee satisfaction.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average annual turnover rate for employees	17.46	15.00	16.05	14.00	15.00	16.00

◆ **Goal 2** To increase cost effectiveness of administrative services.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Administration as a percentage of total operational expenses.	5.18	5.50	5.00	5.00	5.00	5.00

**Explanation:** Administrative costs compared to only operation expenses, does not include pass through funds to other agencies.

**Subprogram Summary**

INFORMATION SERVICES

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 A.R.S., Title 42

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	10,639.7	10,847.4	16,664.7	11,305.4
Other Appropriated Funds	2,356.1	3,663.2	6,006.1	6,006.1
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>12,995.8</b>	<b>14,510.6</b>	<b>22,670.8</b>	<b>17,311.5</b>
<b>FTE Positions</b>	<b>82.0</b>	<b>105.0</b>	<b>122.0</b>	<b>122.0</b>

◆ **Goal 1** To ensure the local and wide area network (LAN/WAN) is available 99.8% of the time.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of time the LAN/WAN is available.	99.58	99.98	100.00	99.98	99.98	99.98

◆ **Goal 2** To resolve 99% of all problem calls identified as "critical" within 4 hours.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of critical problem calls completed within the 4 hour target.	97.01	99.20	98.50	99.00	99.00	99.00

**Subprogram Summary**

SUPPORT SERVICES

Nick Buta, Deputy Quality Executive  
 Phone: (602) 716-6891  
 A.R.S., Title 42

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	10,118.4	9,088.8	9,088.8	9,088.8
Other Appropriated Funds	6,907.5	7,615.7	7,615.7	7,615.7
Other Non Appropriated Funds	299.7	0.0	0.0	0.0
<b>Total Funding</b>	<b>17,325.6</b>	<b>16,704.5</b>	<b>16,704.5</b>	<b>16,704.5</b>
<b>FTE Positions</b>	<b>147.0</b>	<b>130.0</b>	<b>130.0</b>	<b>130.0</b>

◆ **Goal 1** To pay all invoices in a timely manner within 30 calendar days of receipt.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of invoices paid within 30 calendar days.	99	95	99.8	95	95	95

◆ **Goal 2** To respond to 90% of all building maintenance calls within 24 hours of receipt.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of building maintenance calls responded to within 24 hours of receipt of the call.	99.30	95.00	98.6	97.0	97.0	97.0

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◆ **Goal 3** To process Payroll accurately by the end of each payroll cycle.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of payroll records processed error free by the close of the payroll cycle.	99.99	100.00	99.40	99.99	100.00	100.00

◆ **Goal 4** To process purchase orders within two business days of receipt of requisition.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of business days to process requisitions.	1.08	2.00	2.00	3.00	3.00	3.00



# School Facilities Board

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

Five-Year  
Strategic Plan

SCHOOL FACILITIES  
BOARD

FY 2014 — FY 2018

## EXECUTIVE SUMMARY

The School Facilities Board's (SFB's) FY 2014 – 2018 Strategic Plan is the first to contain a vision statement. This vision was crafted with input from staff and describes the core principle driving the Agency.

The mission statement has been revised to more clearly define the SFB's purpose.

The three main programs of the SFB continue to be New School Construction, Building Renewal/Preventative Maintenance, and Emergency Deficiencies Corrections.

The Plan identifies five strategic issues to be addressed by the SFB. They are:

- 1) New Construction and Building Renewal Funding
- 2) Continue Development and Implementation of District Preventative Maintenance Programs
- 3) Strengthen Relationship and Communication with School Districts
- 4) Improve Knowledge Transfer
- 5) Improve Administration and Operations Support

Goals, strategies, and performance measures have been outlined for each issue.

The SFB's main focus has historically been on Deficiencies Corrections and New Construction. The former has been repealed and the latter has slowed considerably due to the economic downturn. In light of these changes, more of the Agency's operational resources are focused on Preventative Maintenance. Limited resources make it more critical than ever to preserve the State's assets. The SFB intends to partner with school districts and other stakeholders to help sustain existing education facilities.

## FIVE-YEAR STRATEGIC PLAN

### **Mission**

The School Facilities Board provides financial and technical support to Arizona school districts by forming partnerships to help ensure that the education facilities are constructed to and maintained at State standards so K-12 students can achieve academic success.

### **Description**

The School Facilities Board was created by Laws 1998, 5th Special Session, Chapter 1 through legislation commonly known as Students FIRST (Fair and Immediate Resources for Students Today). The School Facilities Board consists of nine gubernatorial appointed voting members and the Superintendent of Public Instruction who serves as a non-voting member. The Board is charged with the administration of three capital programs: a) New School Facilities, b) Building Renewal/Preventative Maintenance, and c) Emergency Deficiencies Corrections.

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 that aids the Board in determining the funding level for building renewal and the construction of new facilities. Through periodic inspections, the Board is mandated to ensure compliance with building adequacy standards and routine preventative maintenance guidelines with respect to the new construction of buildings and maintenance of existing buildings. The Board also administers an Emergency Deficiencies Corrections program in the event that a school district has a serious need for materials, services, construction, or expenses in excess of the district's adopted budget that seriously threatens the functioning of the school district, the preservation or protection of property or public health, safety, and welfare.

### **Vision Statement**

To be a trusted and reliable partner to Arizona's education community.

The agency is valued because of its contribution to the education process, and its service as a communication conduit between stakeholders involved in the financing, design, construction and maintenance of school facilities.

### **Programs**

#### **New School Construction**

#### **Program 1**

##### *Funding*

From the program's inception until 2003, the New School Construction program was funded on a cash basis from transaction privilege tax transfers. Beginning in FY 2003 and continuing through FY 2005, the Legislature replaced the School Facilities Board's authority to request transaction privilege tax transfers directly from the State Treasurer with the authority to enter into lease-to-own (LTO) transactions and provided appropriations to pay for the new school facilities debt service. Laws 2005, Ch. 287, section 5 repealed the School Facilities Board's authority to instruct the Treasurer, and the Legislature instead directed the Treasurer to transfer a specific sum in the amount of \$250 million for FY 2006 along with an advance appropriation of \$50 million for FY 2007. Laws 2006, Chapter 344 appropriated \$200 million from the General Fund to the New

School Facilities Fund, of which \$4 million was for Full-Day Kindergarten. Finally, Laws 2006, Chapter 353 eliminated the School Facilities Board ability to enter into lease-to-own transactions, as it was the Legislature's desire to permanently fund new school construction on a pay-as-you-go basis.

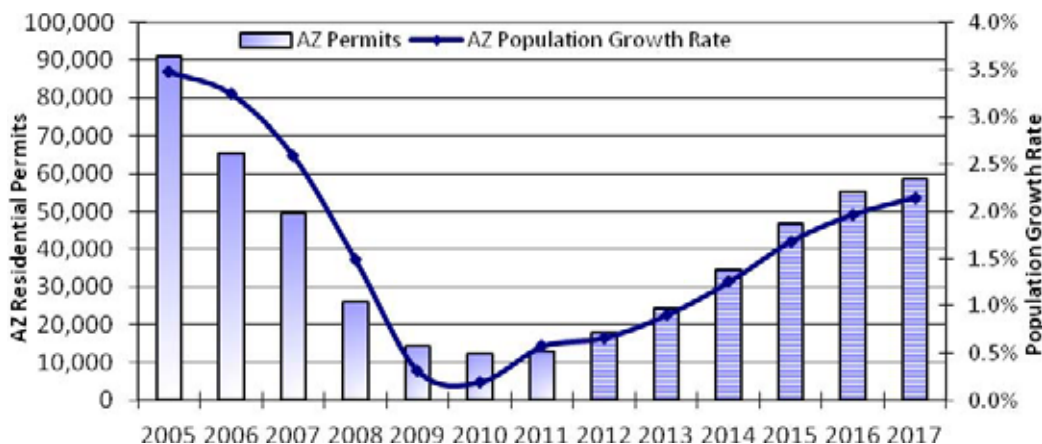
Due to the fiscal downturn, in FY 2009, the Legislature returned to lease-to-own financing. The FY 2009 budget authorized the SFB to not only fund FY 2009 new construction costs with LTO financing, but also to refund the majority of FY 2008 new school construction costs. In addition, the budget bill placed a moratorium on all new school construction starts for FY 2009. While the New School Construction moratorium remained in effect for FY 2010 through FY 2013, the Legislature provided \$100 million in lease-to-own authority for the construction of new schools in FY 2010. Land acquisition and new school construction funded from this authority are exempt from the moratorium. For FY 2013 the authority continued through a Qualified School Construction Bond program.

### Outlook

The School Facilities Board's five-year outlook for new construction shows a continued need for new schools.

The chart below shows the number of residential housing permits and population growth in Arizona by year. For calendar years 2005 through 2011, actual numbers of residential permits and population estimates on July 1 by the Arizona State Demographer's Office are used; for 2012 and later years, housing permit numbers and population growth are projected by the University of Arizona in the March and September 2012 issues of *Arizona's Economy*. The decline in residential construction started in the fall of 2005 and continued through 2010. The trend did not reverse until 2011. The population growth rate exhibits a close relationship with residential construction. The rate dropped to 0.2% in 2010, and is projected to gradually rebound to more than 2% by 2017.

Chart 1:  
Actual and projected new residential permits in Arizona  
Compared with Estimated and Projected Population Growth Rates



### Sources:

Residential Permits - Actual numbers from *U.S. Census, Building Permits, Permits by State Annual* are used for 2005-2011, and projected numbers from *Arizona's Economy*, University of Arizona, March and September 2012 issues for 2012 -2017.

Population - Estimates from Arizona State Demographer's Office (<http://azstats.gov/population-estimates.aspx>) are used for 2005-2011, and projected numbers from *Arizona's Economy*, University of Arizona, March and September 2012 issues for 2012-2017. What does all this mean for new school construction in Arizona? Consistent with the

downturn in the housing market, the number of awards by the Board decreased in FY 2007 through FY 2012. When the SFB saw the downturn and the possibility of building excess space, the SFB started putting projects on hold, and eventually cancelled many of them as the downturn continued. Although the need for new schools diminished for most of the State, there continued to be measureable growth in some districts and a need for additional space. (See Attachment A for FY 2012 activity). The award history is shown in Table 1.

*Forecasting challenges*

As delineated in Table 1, which shows awards for the last twelve years, awards can fluctuate widely. Economic changes are the key driver, but there are several other reasons behind these fluctuations. First, the districts control when they seek new schools. SFB staff relies on their applications as notification of a need for more space. Second, since the program is based on student projections, inaccuracies in a given year are corrected in subsequent years. If a school is awarded and the ADM projections which were its basis do not materialize, then that year's awards are artificially high and the next year's are low. If a school is awarded one year late, then the current year's total awards are low, and the next year's awards are high.

Approved projects reflect an underlying student population growth that breaks down as follows in Table 2:

FY	Projects	Sq. Feet
2001	30	2,063,060
2002	37	1,927,102
2003	29	1,851,948
2004	38	2,907,172
2005	23	2,343,446
2006	39	3,435,028
2007	33	2,877,306
2008	12	788,249
2009	7	306,622
2010	3	141,234
2011	2	57,060
2012	1	4,320

Fiscal Year	Annual Growth Rate
FY 2004	1.9%
FY 2005	3.0%
FY 2006	3.0%
FY 2007	2.5%
FY 2008	1.3%
FY 2009	-0.4%
FY 2010	-0.9%
FY 2011	-1.8%
FY 2012	-0.6%

Other factors including prior awards, existing district space, and which districts actually experience the growth all contribute to new construction awards. School Facilities Board staff projects that future ADM growth will be localized mainly in school districts in Maricopa, Pinal, and Pima counties.

<sup>1</sup> Does not include any revisions or cancellations to prior awarded projects.

<sup>2</sup> The growth metric is based on attending ADM provided by the Department of Education. The numbers include district schools and Accommodation schools only. Online schools, charter schools and JTED's are not included.

### *Moratorium Impact*

As noted above, part of the FY 2013 budget is a moratorium on new school construction starts and land acquisition. This moratorium was passed due to both fiscal necessity and a general belief that the slowing in population growth eliminated the need for new schools. While it is correct that most school districts do not need additional space at this time, there are several districts that continue to grow. These districts have and will exceed the State minimum standards for students per square foot.

Additionally, many of the areas experiencing a decline in population growth are directly related to lower occupancy rates. Varying school districts have newly completed residential developments that are only lightly occupied. Any positive change to vacancy patterns could lead to quickly expanding student populations. Continuing land acquisitions for future school sites will be critical to meeting the needs of quickly expanding populations.

### *Operational Planning*

In an effort to effectively manage the new school construction program, the School Facilities Board staff is involved in the following efforts.

Long-Term Planning – Upon conceptual approval of new school construction projects, the SFB is making an effort to find land to site future schools in locations that will best serve the emerging growth of the district. In addition, many school districts are working closely with developers to get donations for school sites. If a school district acquires real property by donation, the SFB is required to distribute an amount equal to 20% of the fair market value of the donated property to the school district, which may be used by the district for unrestricted capital outlay. All school sites, whether donated, leased, purchased or partially purchased must be approved by the Board. The SFB staff, in making recommendations to the Board, ensures that the site will be viable with respect to items such as size, environmental issues, utility routes, etc. The SFB is also encouraging districts to work closely with local governments and planning departments to ensure that district needs for school sites are considered in the planning process prior to the issuance of permits to developers. Some districts have even been successful in getting cities to waive charges for permits and fees for school construction, which saves on the overall cost of the project. Additionally, the SFB is helping districts develop long-term projections that will assist them in appropriately sizing and locating future facilities.

Energy Efficiency and Sustainability – The Board has been working with the architectural community to implement and identify methods in the design of new schools as well as the design of renovations that will incorporate numerous Executive Orders regarding energy efficiency. Currently the new school designs the Board is reviewing and approving will earn in excess of 40 LEED (Leadership in Energy and Environmental Design) points. The Board is working toward the 50 points that are required to meet the LEED Silver standard. The Board is also working with utilities to incorporate solar arrays into the design of new buildings, both helping the districts reduce energy costs and helping the utilities meet renewable energy standard requirements.

School Safety – The Board is continuing to review safety best practices to ensure as safe an environment at our school sites as possible. The Board has compiled best practice recommendations from state and federal law enforcement agencies, various state departments of education, school security experts, architects and planners to further our pursuit for safe schools.

21<sup>st</sup> Century Schools – The Board worked with local architects to help author and distribute the “Arizona School Design Primer”, published in 2012. The primer is written to help districts program and ask appropriate questions of their designers. The Board has also prepared a report that recommends how the State can build new schools as we move into the 21<sup>st</sup> century that includes the following:

1. enhance ability of teachers and students to integrate technology into teaching and learning;
2. create personalized instructional environments that best match teaching programs with individual student needs;
3. foster productive relationship-building between teachers and students;
4. ensure the safety of all students and school personnel; and
5. maximize energy and water efficiency.

Additionally, the report included recommendations on:

6. School size and its impact on learning
7. The impact of class size initiatives on school construction
8. The best way to pay for new schools

#### Building Renewal / Preventative Maintenance

#### Program 2

The Building Renewal program as currently constituted is based on a formula that provides approximately 67 percent of the building replacement value over a 50-year period. A.R.S. §15-2031 requires that building renewal monies be distributed twice a year in lump sum amounts to school districts, as long as districts submit their prior year expenditure report and three-year building renewal plan to the Board. While districts are required to submit a three-year building renewal plan and expenditure data, there is no State oversight on when dollars are actually expended. Historically, many districts save building renewal funds from year to year in anticipation of a future large building renewal project.

Laws 2007, Chapter 266, section 2 amended the building renewal statute to include a priority system for the use of building renewal funds. A school district must use building renewal monies for primary projects unless only secondary projects exist. Primary projects are projects that are necessary to meet the State academic standards and that fall below minimum adequacy guidelines, whereas secondary projects are any projects not defined as primary projects. Further, school districts are required to use building renewal monies on secondary projects to comply with building, health, fire or safety codes. However, before spending building renewal monies on secondary projects to comply with building, health, fire or safety codes, the School Facilities Board is required to approve the projects.

In FY 2009, the Legislature suspended the building renewal program and replaced it with a \$20 million Building Renewal Grant program. These grants can only be used to correct systems that would no longer meet the minimum facility guidelines. This method is reactionary in nature and does not efficiently address the requirement to maintain the infrastructure of the State's academic facilities. SFB staff awarded \$7 million in building renewal grant projects and the Legislature swept the remaining \$13 million to help balance the FY 2009 budget. In FY 2010, the Legislature continued the suspension of the building renewal program and appropriated \$3 million for building renewal grants. The Legislature then swept \$332,100 of this allocation. In FY 2011, the building renewal grant program was appropriated \$2,667,900. In FY 2012, this amount



was unchanged and then later supplemented with \$11.5 million. The Legislature again appropriated \$2,667,900 for FY 2013.

#### *Building Renewal Lawsuit*

In 1999, several school districts sued the State (Roosevelt v. Bishop) asserting that the Students FIRST Act as implemented did not meet the requirements of the State Constitution because the State failed to fully fund the building renewal formula for fiscal years 1999, 2000, and 2002. On October 13, 2001, the Arizona Superior Court granted the State's Cross Motion for Summary Judgment and ruled that the appropriation of a specific sum by the State Legislature for fiscal year 1999 demonstrates that there was no expectation that the statutory formula for the building renewal fund was intended to be used for FY 1999.

However, on May 7, 2002, the Superior Court held that the State's failure to fully fund the building renewal formula for fiscal years 2000 and 2002 was a violation of the State Constitution's requirement that the State provide a general and uniform public school system.

On June 18, 2002, six school districts filed a new lawsuit (Somerton Case) asserting that the State had failed to fully fund the building renewal formula for fiscal year 2002. On October 17, 2002 and December 13, 2002, the Superior Court held that the State had violated the State Constitution by failing to fully fund the building renewal formula for fiscal year 2002. The Court also ordered the State to "remedy the constitutional deficiencies" in the level of building renewal formula funding by June 30, 2004. The Somerton Case was consolidated with the Roosevelt case, also being appealed by the State. Subsequently, the Court of Appeals on August 14, 2004, reversed the trial court's judgments and remanded both cases to the trial court for the school districts to demonstrate that the lack of building renewal funding resulted in current unmet needs related to academic achievement. On January 6, 2004, the Arizona Supreme Court denied review of the Court of Appeals order remanding the consolidated cases.

On October 3, 2006, the Superior Court granted the Defendant State of Arizona's Motion for Summary Judgment. At issue in the motion is whether plaintiffs' claim was ripe and whether plaintiffs must prove that the Students FIRST system is unconstitutional as applied to every public school district or only as applied to them and whether the Students FIRST system has caused any facility needs related to academic performance to be unmet. The Court found that until each plaintiff district attempted to obtain all available funds from the State their claim is premature and not yet ripe.

On November 21, 2008, the Superior Court agreed to allow the Tempe Union High School District to join the lawsuit. On February 22, 2010, the Superior Court held that Tempe Union High School District failed to establish a justiciable controversy because it had failed to show that all available sources of funding through the State had been exhausted. The matter was dismissed but continued on the inactive calendar. On January 18, 2011, the Superior Court dismissed the case without prejudice after finding that a justiciable controversy still did not exist.

Building Renewal Funding History

Fiscal Year	Formula Amount	Appropriated Amount	Shortfall	Explanation
FY 1999	\$103,747,800	\$75,000,000	\$28,747,800	Laws 1998, Fifth Special Session, Ch. 1 (SB 1001 - Students FIRST), section 64 appropriated \$75 million from the General Fund to the Building Renewal Fund for FY 1999. The amount appropriated represented the best guess at the time since only limited building inventory information was available. The formula amount was originally estimated by SFB to be \$75 million but was later updated to \$103,747,800 after the collection of school district building data. Since the lesser amount of \$75 million was credited to the Building Renewal Fund by the Treasurer, the Board distributed 72% of the formula amount to each district.
FY 2000	\$108,389,300	\$82,500,000	\$25,889,300	The formula amount was originally estimated by SFB to be \$82.5 million (a 10% increase over FY 1999 based on limited information) but was later updated to \$108,389,300 after the collection of school district building data. Since the lesser amount of \$82,500,000 was credited to the Building Renewal Fund by the Treasurer, the Board distributed 76% of the formula amount to each district.
FY 2001	\$122,725,300	\$122,725,300	\$0	In FY 2001, the SFB pursuant to A.R.S. 42-5030.01 instructed the Treasurer to transfer \$120 million to the Building Renewal Fund. Subsequently, the Board recalculated the cost at \$122,725,300. In a court decision addressing the legality of prior year shortfalls between the SFB transfer instructions and calculated formula cost, a Maricopa County district court ruled in October 2000 that funding for building renewal each year should be determined by formula cost. In January 2001, the Attorney General issued a formal opinion that the court ruling does not require or permit the SFB to present a revised instruction to the Treasurer to make up the \$2,725,300 shortfall. The SFB therefore requested and the Legislature granted through Laws 2001, Chapter 232 a supplemental appropriation of \$2,725,300.
FY 2002	\$122,786,413	\$62,065,300	\$69,934,700	Pursuant to A.R.S. 42-5030.01, funding is provided through a direct transfer of TPT revenues from the Treasurer in the amount of \$132,000,000. Laws 2002, 3rd SS, Ch. 2, section 22 (HB 2003) transferred \$69,934,700 from the Building Renewal Fund to the General Fund leaving a net appropriation of \$62,065,300.

Fiscal Year	Formula Amount	Appropriated Amount	Shortfall	Explanation
FY 2003	\$128,274,062	\$38,274,100	\$89,999,962	Laws 2002, Chapter 330 (HB 2710), section 45 notwithstanding section A.R.S. 15-2002, subsection A, paragraph 10 required that the State Treasurer disregard any instructions of the School Facilities Board relating to the Building Renewal Fund transfers for fiscal year 2002-2003 and instead shall transfer only the sum of \$38,274,100 in fiscal year 2002-2003 from transaction privilege tax revenues to the Building Renewal Fund. Legislature noted in section 61 of same bill that it was their intent that the Deficiencies Corrections program would provide the necessary funds for building renewal needs.
FY 2004	\$128,804,873	\$0	\$128,804,873	Laws 2002, Ch. 330, section 61 (HB 2710) suspended the building renewal formula for FY 2004. Legislature noted it was their intent that the Deficiencies Corrections program would provide the necessary funds for building renewal needs. The formula amount was \$128,804,873 for this year.
FY 2005	\$134,894,500	\$70,000,000	\$64,894,500	Pursuant to A.R.S. 42-5030.01, funding is provided through a direct transfer of TPT revenues from the Treasurer in the amount of \$134,894,500. However, this was offset by Laws 2004, Ch. 274, section 7 (SB 1406) which transferred \$104,894,500 from the Building Renewal Fund to the General Fund for a net appropriation of \$30,000,00. Additionally, Laws 2004, Ch. 275, section 67 (SB 1402) provided an additional \$40,000,000 through conditional appropriations that were triggered due to excess State revenues for a total appropriation of \$70,000,000. <u>Revised Formula:</u> The alternate formula which was passed and vetoed in Laws 2004, Ch. 274, section 1 (SB 1406) would have produced \$71 million. Legislative staff noted that the appropriation was targeted to this level.
FY 2006 1/	\$130,080,500	\$70,000,000	\$60,080,500	Pursuant to Laws 2001, Ch. 117, section 32 (A.R.S. §42-5030.01) a transfer in the amount of \$130,080,500 was made from the General Fund to the Building Renewal Fund. Pursuant to Laws 2005, Chapter 287, section 9 a \$60,080,500 transfer was made from the Building Renewal Fund to the General Fund, leaving the net appropriation of \$70,000,000. <u>Historical Note:</u> Prior to Laws 2005, Ch. 287, section 5, which amended Laws 2001, Ch. 117, sec. 32, the State Treasurer was required to transfer to the Building Renewal Fund, without the need for a specific legislative appropriation, State general fund revenues in an amount instructed by the School Facilities Board. This authority was repealed by Laws 2005, Ch. 287, section 5. <u>Revised Formula:</u> The alternate formula would have produced approximately \$69 million.

Fiscal Year	Formula Amount	Appropriated Amount	Shortfall	Explanation
FY 2007	\$161,465,349	\$86,283,500	\$75,181,849	Laws 2006, Chapter 353, Section 28, (HB 2874) K-12 budget reconciliation bill appropriated \$86,283,500 from the General Fund to the Building Renewal Fund. The appropriation was originally contained in HB 2875, SFB budget reconciliation bill, which altered the formula but was vetoed by Governor Napolitano. The amount was based on the alternate formula.
FY 2008	\$190,219,962	\$40,685,750	\$149,534,212	Laws 2007, Chapter 255, Section 90, (HB 2781) General Appropriations Act appropriated \$86,283,500 from the General Fund to the Building Renewal Fund. Laws 2007, Chapter 53, Section 18 reduced the original building renewal appropriation by 50%. Laws 2008, Ch. 53 (HB 2620) section 17 reverted \$2,456,000 from the Building Renewal Fund to the State General Fund.
FY 2009	\$216,511,501	\$0	\$216,511,501	The program was suspended.
FY 2010	\$227,913,526	\$0	\$227,913,526	The program was suspended.
FY 2011 <sup>2/</sup>	\$226,779,260	\$0	\$226,779,260	The program was suspended.
FY2012	\$241,593,554	\$0	\$241,593,554	The program was suspended.
<u>FY 2013</u>	\$248,897,321	\$0	\$248,897,321	The program was suspended.
<u>Summary</u> 1999-2013	\$2,493,083,221	\$647,533,950	\$1,854,762,858	From FY 1999 through FY 2013, Building Renewal has been funded at 25.9% of the formula amount.

<sup>1/</sup> The decrease in the formula amount in FY 2006 from FY 2005 is due to the incorporation of Deficiencies Corrections projects into the formula as renovations.

<sup>2/</sup> The FY 2010 formula did not include the renovation data reported by districts. The FY 2011 formula amount includes two years of renovation data reported by districts. This accounts for the decrease in formula for FY 2010 to FY 2011.

### *Preventative Maintenance*

In order to more efficiently meet the State's responsibility to maintain in excess of 121 million square feet of academic space, the Legislature directed the School Facilities Board to help school districts establish preventative maintenance (PM) programs and then perform inspections to review the implementation of those programs. The School Facilities Board has adopted a general set of preventative maintenance guidelines and districts are required to perform the guideline tasks for the various building systems. In addition, the SFB is required to inspect 20 districts for preventative maintenance every 30 months.

Statute does not provide a dedicated funding source for preventative maintenance. However, A.R.S. §15-2031 subsection J allows school districts to use eight percent of the building renewal amount generated by the statutory formula for routine preventative maintenance, which are services that are performed on a regular schedule at intervals ranging from quarterly to annually that are intended to extend the useful life of a building system and reduce the need for major repairs. With the suspension of building renewal funding, the eight percent for preventative

maintenance has in effect been suspended as well. To counter balance the lack of funding, the SFB has expanded the preventative maintenance training and inspections. Further, the SFB has developed and provides PM materials to school districts for self-training exercises.

**Emergency Deficiencies Corrections**

**Program 3**

Laws 2005, Chapter 287, Section 6 repealed the Deficiencies Corrections program as of June 30, 2006. However, the SFB continues to provide emergency deficiency services through the Emergency Deficiencies Corrections program. The issue facing this program's long-term viability is lack of a dedicated funding source. A.R.S. §15-2022 provides that revenues consist of monies transferred from the Deficiencies Corrections Fund, which no longer exists, or the New School Facilities Fund as long as the transfer will not affect, interfere with, disrupt or reduce any approved capital projects. In recent years, new school construction has been financed using bonds, therefore excess general fund new construction monies are no longer available for emergencies. The New School Facilities Fund is not a viable funding source once existing cash balances in the Emergency Deficiencies Corrections Fund are depleted, which is estimated to occur in FY 2013.

**STRATEGIC ISSUES**

**New School Construction and Building Renewal Funding**

**Strategic Issue 1**

In the past decade, the State invested more than \$1 billion in the Deficiencies Corrections program. Approximately \$2.5 billion has been invested in new school facilities statewide. The inability to maintain these school facilities due to lack of funding ultimately leads to facility failures that become emergencies and are more costly to resolve.

Goal 1	To secure funding for new construction.
Strategies	<ol style="list-style-type: none"> <li>1. Analyze school district requests for new school facilities.</li> <li>2. Provide compelling data to the Legislature quantifying the need for new construction and demonstrating the need to lift the moratorium on new construction.</li> <li>3. Monitor construction inflation and request JLBC review to ensure cost per square foot keeps pace with market pricing.</li> <li>4. Monitor design process to ensure construction of a quality school that meets minimum adequacy guidelines while being a fiduciary of state funding in managing the cost.</li> </ol>
Performance Measures	<ol style="list-style-type: none"> <li>1. Capital Plan cycle time.</li> <li>2. Meetings with appropriate stakeholders.</li> <li>3. Ability to fund new construction.</li> </ol>

Goal 2	To secure funding for the building renewal formula.
Strategies	<ol style="list-style-type: none"> <li>1. Provide compelling data to the Legislature justifying the need for building renewal funds.</li> <li>2. Review prior year expenditures and three-year building renewal plans to ensure compliance with statutory uses.</li> <li>3. Accurately maintain school facilities inventory database.</li> <li>4. Assist in the development of three-year building renewal plans as requested and needed by districts.</li> <li>5. Distribute building renewal funding as required by law.</li> </ol>
Performance Measures	<ol style="list-style-type: none"> <li>1. Percent of school districts that used building renewal funding for non-statutory purposes.</li> <li>2. Number of districts instructed by the School Facilities Board to use building renewal funding for preventative maintenance.</li> </ol>

Continue Development and Implementation of District Preventative Maintenance Programs

Strategic Issue 2

With the lack of funding for building renewal, it is in both the SFB's and school districts' best interest to pool resources to optimize the ability to maintain the school district facilities.

Goal 3	To serve as a resource to school districts to help ensure compliance with preventative maintenance requirements.
Strategies	<ol style="list-style-type: none"> <li>1. Demonstrate to the Legislature the need and benefits of funding improved facilities management in school districts.</li> <li>2. Assist school districts in implementation of preventative maintenance programs.</li> <li>3. Track success of districts that use facilities management software to inventory building systems and equipment and to track preventative maintenance tasks.</li> <li>4. Assist school districts in the preparation and submittal of required preventative maintenance plans.</li> <li>5. Review annual preventative maintenance school district reports.</li> <li>6. Inspect schools on a regular basis to ensure that 20 districts are inspected over a 30 month time frame, using the SFB Preventative Maintenance Plan and Task Sheets as a guide.</li> <li>7. Work with districts and the Legislature to ensure that the resources necessary to properly maintain the State's schools are made available and properly used.</li> <li>8. Assist districts with the development of maps and spreadsheets that</li> </ol>

	<p>contain the location and essential information (manufacturer, age, capacity, etc.) of each piece of equipment, roof, etc.</p> <p>9. Assist districts with the development of maps of underground utilities and emergency shut-offs and provide training for administrative and maintenance personnel on their locations (well marked and easy to identify) and functions.</p> <p>10. Help districts to identify and plan future projects as part of their SFB 3-Year Building Renewal Plan.</p> <p>11. Help districts understand their preventative maintenance program as a facilities management tool.</p>
Performance Measures	<ol style="list-style-type: none"> <li>1. Number of schools inspected to ensure minimum adequacy guidelines.</li> <li>2. Number of districts inspected to ensure compliance with required preventative maintenance guidelines.</li> <li>3. Increase the number of tasks completed on preventative maintenance reporting statements.</li> </ol>

**Strengthen Relationship with School Districts**

**Strategic Issue 3**

In order for the SFB to achieve Goals 1 through 3, it is important to understand the districts' needs from their perspective. District input will play an important role in the development of action plans that will be put in place to realize SFB objectives. By inviting open dialogue and exchange of ideas, the SFB will be fostering a collaborative relationship with districts. This alliance is crucial to the success of the Strategic Plan.

Goal 4	To strengthen relationship and communication with school districts.
Strategies	<ol style="list-style-type: none"> <li>1. Meet regularly with districts to ascertain their needs and solicit their feedback.</li> <li>2. Review districts' State reporting requirements and explore possibility of streamlining them by partnering with other agencies and organizations (ADE, AASBO, GPEMC, ASBA, etc.)</li> <li>3. Market the SFB to stakeholders.</li> <li>4. Use SFB website and mass e-mail capabilities more effectively.</li> </ol>
Performance Measures	<ol style="list-style-type: none"> <li>1. Percent of districts rating the Boards' services as satisfactory, good, or excellent in annual survey.</li> <li>2. Increase the number of seminars / training sessions conducted with district facilities personnel.</li> <li>3. Increase the number of presentations to organizations &amp; associations.</li> </ol>

The SFB staff embodies a diverse array of expertise, which school districts can use as a resource for many day-to-day school functions (i.e. preventative maintenance, construction, procurement, demography, plan review, etc.) Likewise, many districts have independently implemented positive changes and cost saving measures that could be utilized by other districts.

Goal 5	To improve knowledge transfer (information sharing) with all stakeholders
Strategies	<ol style="list-style-type: none"> <li>1. Increase geographic representation (have bases in northern and southern Arizona).</li> <li>2. Establish a vehicle for communicating regularly with the districts (i.e. regional seminars, workshops, newsletters, a blog, etc.).</li> <li>3. Network with other state agencies and other organizations to generate synergy.</li> <li>4. Act as a clearing house for ideas, procedures, etc. that can be beneficial to districts.</li> <li>5. Establish a vehicle for communicating regularly with all stakeholders.</li> </ol>
Performance Measures	<ol style="list-style-type: none"> <li>1. Feedback forms.</li> <li>2. Number of successful case studies from districts shared with all districts.</li> <li>3. Catalog of processes, methods, and systems (i.e. fire alarm, computer, etc.) on file with the SFB as a resource for school district facilities personnel.</li> </ol>

In order to prevent a critical loss to the overall operations of the SFB, all positions must have a cross-trained replacement.

Goal 6	To improve knowledge transfer (information and procedure sharing) internally
Strategies	<ol style="list-style-type: none"> <li>1. Survey staff to identify existing communication weaknesses.</li> <li>2. Utilize internal expertise and hold training sessions for staff.</li> <li>3. Standardize and document internal processes and procedures.</li> </ol>
Performance Measures	<ol style="list-style-type: none"> <li>1. Staff cross-training schedules.</li> <li>2. Success of task completion in absence of employee.</li> </ol>



Current funding constraints require state agencies to produce greater output from the investment of fewer resources. This condition requires SFB to define goals and to implement strategies that will support effective management decisions and improve the efficiency of business and administrative operations.

Goal 7	To improve administrative processes.
Strategies	<ol style="list-style-type: none"> <li>1. Integrate local finance system with AFIS.</li> <li>2. Make use of new technology systems and tools.</li> <li>3. Deploy decision support tools.</li> </ol>
Performance Measures	<ol style="list-style-type: none"> <li>1. System implementation schedules/Status Reports</li> <li>2. Process development schedules</li> </ol>

Goal 8	To efficiently analyze school district requests for emergency deficiencies corrections.
Strategies	<ol style="list-style-type: none"> <li>1. Provide feedback to districts in a timely manner regarding staff recommendations</li> <li>2. Help districts get projects completed efficiently.</li> </ol>
Performance Measures	<ol style="list-style-type: none"> <li>1. Number of requests for emergency deficiencies corrections funding</li> <li>2. Number of days between receipt of an application and response sent in writing to the district.</li> <li>3. Number of days between receipt of a pay request and processing.</li> </ol>

## RESOURCE ASSUMPTIONS

	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions	14	14	16	16	18	18
Operations	\$1,610,700	\$1,610,600	\$1,795,600	\$1,795,600	\$1,948,100	\$1,948,100
Lease-to-own	\$169,429,700	\$178,603,312	\$178,603,312	\$178,603,312	\$178,603,312	\$178,603,312
New School Facilities	\$0	\$28,200,974	\$40,085,924	\$61,471,236	\$51,208,325	\$51,208,325
Building Renewal	\$0	\$260,141,869	\$267,946,125	\$275,984,509	\$284,264,044	\$292,791,965
Building Renewal Grant	\$2,667,900	\$0	\$0	\$0	\$0	\$0
<b>Total General Fund</b>	<b>\$173,708,300</b>	<b>\$468,556,755</b>	<b>\$488,430,961</b>	<b>\$517,854,657</b>	<b>\$516,023,781</b>	<b>\$524,551,703</b>
Other Appropriated Funds	\$0	\$0	\$0	\$0	\$0	\$0
Non-Appropriated Funds	\$93,953,800	\$93,541,460	\$93,541,460	\$93,541,460	\$93,541,460	\$93,541,460
Federal Funds	\$110,188	\$0	\$0	\$0	\$0	\$0
<b>Total Agency Funds</b>	<b>\$267,772,288</b>	<b>\$562,098,215</b>	<b>\$581,972,421</b>	<b>\$611,396,117</b>	<b>\$609,565,241</b>	<b>\$618,093,163</b>

1. Assume 2 additional FTE in FY 2015 (1 each to cover northern and southern regions of State). Combined PS, ERE, and Travel: \$185,000.
2. Assume 2 additional FTE in FY 2017 (1 operations and 1 administrative) as a result of increased workload due to preventative maintenance. Combined PS, ERE, and Travel: \$152,500.
3. Lease-to-own estimates are based on debt service schedules for COP's.
4. New School Facilities estimates are based on projects conceptually-approved as of FY 2012 Capital Planning cycle, and assume land costs will be 5% of total award.
5. Building Renewal request for FY 2014 is based on estimate calculated in August 2012. Official FY 2014 amount will be calculated in November 2012 after districts submit prior year renovation information.
6. Building Renewal for FY 2015 and beyond assume 3% annual growth.
7. Non-appropriated funds estimates are based on debt service schedules for School Improvement and Land Trust bonds.

## Agency Summary

### SCHOOL FACILITIES BOARD

Dean Gray, Executive Director  
 Phone: (602) 542-6143  
 A.R.S. §§ 15-2001 et seq

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	175,557.3	173,708.3	466,786.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	337,408.7	313,682.0	557,760.5
<b>Total Funding</b>	<b>512,966.0</b>	<b>487,390.3</b>	<b>1,024,547.0</b>
<b>FTE Positions</b>	<b>14.0</b>	<b>17.0</b>	<b>17.0</b>

◆ **Goal 1** To secure funding for new construction.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Average number of months from receipt of school district application for new school facility fund monies to School Facilities Board final determination (Capital Plan cycle time).	5	5	5	5	5
Number of new school construction projects completed	0	2	2	6	5

◆ **Goal 2** To secure funding for the building renewal formula.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of school districts that used building renewal funding for non-statutory purposes	0	0	0	0	0
Number of districts instructed by the School Facilities Board to use building renewal funding for preventative maintenance	0	0	0	0	0

◆ **Goal 3** To serve as a resource to school districts to help ensure compliance with preventative maintenance requirements.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Number of schools	1530	1540	1530	1530	1540
Percent of all school district schools inspected to ensure minimum adequacy guidelines	11	20	9	13	13

**Explanation:** The staff of the School Facilities Board was unable to meet its performance target due to lack of staff. Due to budget reductions, two (2) of the four (4) staff positions that perform inspections have been cut.

Average number of issues per school inspected that do not meet minimum adequacy standards	2	5	3	10	5
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**Explanation:** Lack of funding is preventing districts from maintaining buildings and sites which causes them to be out of compliance with minimum guidelines.

Percent of inspected schools determined to have an adequate preventative maintenance program	36	40	63	50	50
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◆ **Goal 4** To strengthen relationship and communication with school districts.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
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	<b>Actual</b>	<b>Estimate</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>
Percent of all school districts rating the Boards' services as satisfactory, good, or excellent in annual survey	94	96	96	98	99
Percent of school districts that responded to customer satisfaction survey	65	69	43	69	83

# Secretary of State - Department of State

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



**KEN BENNETT**  
**SECRETARY OF STATE**  
**STATE OF ARIZONA**



November 5<sup>th</sup>, 2012

The Honorable Jan Brewer  
1700 West Washington  
Phoenix, AZ 85007

Dear Governor Brewer:

I respectfully submit this five-year strategic plan for the Secretary of State's Office for fiscal years 2014 - 2018.

**Mission Statement**

To help all Arizonans enjoy a better quality of life through participation, understanding, and confidence in state government by providing fair, honest, and accurate elections; keeping complete and accurate records that are accessible to the public; and providing excellent service to enhance business formation, protect business property, and enable business transactions.

As a division of the Department of State, the mission of the Arizona State Library, Archives and Public Records is to serve Arizona government and Arizonans by providing access to public information, fostering historical/cultural collaborative research and information projects, and ensuring that Arizona's history is documented and preserved.

**Agency Description**

The Department of State is headed by a publicly elected Secretary of State, who serves as Acting Governor in the absence of the Governor and succeeds the Governor should a vacancy occur. The Secretary of State is the keeper of the Great Seal of the State of Arizona and is also the Chief State Election Officer who administers election functions, including canvass and certification of statewide elections, and coordinates statewide voter registration. The Secretary of State's office receives and records various filings, including Uniform Commercial Code transactions, trademark and trade name registrations, and limited partnership and limited liability partnership filings. The Office also registers lobbyists and accepts periodic lobbyist and campaign finance filings; publishes all official acts of the State of Arizona including laws, the Arizona Administrative Code, and

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**STATE OF ARIZONA**

the Arizona Administrative Register; files the notices of the Governor's appointments to State boards and commissions; appoints notaries public; and applies apostilles to international transactions.

The Arizona State Library, Archives and Public Records division provides general information services as well as research and reference services in the subject areas of law, government, public policy, genealogy, and Arizona. The division administers state and federal grants for public libraries and offers consultant services to both public libraries and government agencies. The division also offers special library and information services for anyone who is unable to read or use standard printed materials as a result of temporary or permanent visual or physical limitations, manages public record archival retention programs, and creates exhibits to educate the public regarding governmental and Arizona history and the legislative process.

**Strategic Issues & Strategies**

***Address current staffing shortfall and lack of resources.***

Strategic planning is a cyclical process that requires feedback on customer satisfaction as compared with the results the Department is achieving. This cycle is important to the Office in trying to achieve all of its goals in an efficient manner. By addressing the lack of resources and staffing shortfalls, the Office hopes to be able to (1) reduce staff overtime to meet mandated deadlines, (2) decrease the response time in delivering service to customers, (3) help accurately process filings and applications within a time frame that meets the public's expectations, and (4) adequately conduct all certifications and testing as required in administering statewide elections.

***Build additional improvements in meeting our business services mandates.***

The Secretary of State's Business Services Division seeks to increase on-line resources particularly in the UCC area to better meet workload demands and properly address overall state mandates regarding business services. The Department will seek to improve accuracy, efficiency and timeliness of public filings for all general partnerships and trade names; improve customer service by reducing time delays at the counter; update all forms and literature with current, user-friendly information; cross-train staff to better assist customers regardless of the request; and reduce the processing time of all business service applications.

***Continue to be fiscally responsible and efficient in delivering services.***

The Secretary of State's office is constantly striving to ensure that public dollars are well spent. The Secretary of State's office budget has been significantly reduced over the past few years. The key to continued success is making government work smarter, using sound fiscal standards and efficiencies, and implementing strong ethical standards. The

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Office intends to optimize productivity through enhanced employee skills, improve efficiency and timeliness of customer service, review best practices of other state and local jurisdictions, consolidate work assignments to adequately address mandated responsibilities, and make every effort to provide taxpayers with the best return on their investment in state government as it specifically relates to the Secretary of State.

***Fully implement newly required federal and statewide election reforms.***

The Secretary of State intends to continue the strategies laid out in the Arizona Help America Vote Act State Plan. Along with local election officials, the Secretary of State will maintain the military and overseas voter system and the voter fraud hotline. The Agency will also increase voter education and voter outreach while specifically working to better teach the importance of voting to younger citizens and military members, work directly with all 15 counties to improve physical accessibility to polling places, provide more training of poll workers and election officials, and continue to lobby the federal government for monetary assistance to meet these new federal mandates.

***Meet current statutory obligations of administering statewide elections.***

Given adequate funding and resources, the Secretary of State's office intends to adequately meet all current statutory obligations of administering statewide elections. As required by the Arizona Constitution and Arizona Revised Statutes, the Secretary of State will accurately certify all ballot candidates, certify and canvass results of statewide elections in a timely manner, appropriately test and certify voting devices for use by counties, implement testing for logic and accuracy of counties' election equipment, responsibly certify initiatives and referenda for the ballot, publish and mail the publicity pamphlet to every household with a registered voter, seek to educate the voting public by conducting Town Halls in all fifteen counties on ballot measures, and provide pamphlets in Spanish and Native American translation.

***Resource Development***

The State Library and Archives has raised over \$61 million dollars in grant funds for Arizona cultural institutions and for its own services. In the future, despite the downturn of the economy and the difficulties of fund raising, Library and Archives will continue its 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 and pilot projects. The agency will seek new ways to expand fiscal resources and make more effective use of existing resources.

***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



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and local government, e-government will be one of our most important areas of concentration. Digital government will require all staff to learn new technical skills to ensure public records are usable today and preserved for tomorrow. The Division 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 throughout state government. Library and Archives is still advancing the Persistent Digital Archives and Library System (PeDALS) project, which is an effort to build a leading edge digital preservation system. Additional funding from other federal sources is now being sought.

**Resource Assumptions**

Resource Assumptions (agency level)*						
	FY 13 Appropriation	FY 14 Budget Request	FY 2015 Budget Request	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
<i>Full-time-equivalent (FTE) positions - Appropriated</i>	139.10	145.10	145.10	147.10	147.10	147.10
General Fund	14,923.20	15,600.70	15,451.80	15,683.49	15,691.33	15,686.33
Other Appropriated Funds	3,507.40	3,650.50	3,650.50	3,650.50	3,650.50	3,650.50
Non-Appropriated Funds	1,139.70	1,139.70	1,139.70	1,139.70	1,139.70	1,139.70
Federal Funds	4,512.70	3,577.10	3,577.10	3,577.10	3,577.10	3,577.10
<b>Total Agency Funds</b>	<b>24,083.00</b>	<b>23,968.00</b>	<b>23,819.10</b>	<b>24,050.79</b>	<b>24,058.63</b>	<b>24,053.63</b>
*In thousands, except FTE						

Sincerely,

Ken Bennett  
 Secretary of State

KB/cb

## Agency Summary

SECRETARY OF STATE - DEPARTMENT OF STATE

Ken Bennett, Secretary of State

Phone: (602) 542-0681

A.R.S. §§ 41-121 et seq; 29-301 et seq; 44-1271 et seq; 44-1441

### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ ADMINISTRATION	1,328.1	2,028.8	2,108.3	2,089.9
➤ BUSINESS SERVICES	1,076.4	1,077.6	1,077.6	1,077.6
➤ PUBLIC SERVICES	405.5	405.9	405.9	405.9
➤ ELECTION SERVICES	5,102.0	7,208.4	7,207.4	7,207.4
➤ ARIZONA STATE LIBRARY, ARCHIVES, AND PUBLIC RECORDS	12,282.4	13,362.3	13,168.8	13,038.3
<b>Agency Total:</b>	<b>20,194.4</b>	<b>24,083.0</b>	<b>23,968.0</b>	<b>23,819.1</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	13,120.1	14,923.2	15,600.7	15,451.8
Other Appropriated Funds	1,414.1	3,507.4	3,650.5	3,650.5
Other Non Appropriated Funds	5,660.2	5,652.4	4,716.8	4,716.8
<b>Total Funding</b>	<b>20,194.4</b>	<b>24,083.0</b>	<b>23,968.0</b>	<b>23,819.1</b>
<b>FTE Positions</b>	<b>163.2</b>	<b>163.2</b>	<b>169.2</b>	<b>169.2</b>

**Program Summary**

ADMINISTRATION

Jim Drake, Asst. Secretary of State  
 Phone: (602) 542-4919  
 Constitution & A.R.S. § 41-121 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,282.1	1,982.8	2,062.3	2,043.9
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	46.0	46.0	46.0	46.0
<b>Total Funding</b>	<b>1,328.1</b>	<b>2,028.8</b>	<b>2,108.3</b>	<b>2,089.9</b>
<b>FTE Positions</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>

- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of completion of customer support knowledge base (train new employees within 30 days)	100	100	100	100	100	100
Percentage of election reporting electronically for public inspection on-line	100	100	100	100	100	100
Percentage of completion of lobbyist expenditure reporting to enhance public access to records	100	100	100	100	100	100

- ◆ **Goal 2** To develop and implement an effective automation information system to enhance public interaction with the Secretary of State's office.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of project completion to enhance Secretary of State's website by integrating with other government services for e-government approaches	100	100	100	100	100	100

- ◆ **Goal 3** To improve the efficiency of personnel, benefits, payroll, and procurement processes through electronic automation.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of purchase orders and tracking expenditures by divisions automated	100	100	100	100	100	100
Percent of payroll timesheets and leave slip forms automated	100	100	100	100	100	100
Percent of deposit reconciliation forms automated	100	100	100	100	100	100

- ◆ **Goal 4** To support the entire office with information technology, financial management, accounting, budget, procurement, human resources, and training.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of staff indicating they feel they have the necessary resources to effectively perform their job	100	100	100	100	100	100



**Program Summary**

**BUSINESS SERVICES**

Joann Cota, Director  
Phone: (602) 542-3060

A.R.S. §§ 29-301 et seq.; 44-1271 et seq.; 44-1441 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	969.8	971.0	971.0	971.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	106.6	106.6	106.6	106.6
<b>Total Funding</b>	<b>1,076.4</b>	<b>1,077.6</b>	<b>1,077.6</b>	<b>1,077.6</b>
<b>FTE Positions</b>	<b>18.0</b>	<b>18.0</b>	<b>18.0</b>	<b>18.0</b>

◆ **Goal 1** To serve the public by providing public records requests information accurately and expeditiously.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Average number of business days to process charitable organizations registrations	7	7	7	7	7	7
Average number of business days to process trade name applications	5	5	5	5	4	4
Average number of business days to process trademark applications	5	5	5	5	4	4
Average number of business days to process Uniform Commercial Code filings	3	3	3	3	3	2
Average number of business days to process athlete agents registrations	1	1	1	1	1	1
Average number of business days to process telephone solicitors registrations	7	7	7	7	6	5
Average number of business days to process limited/limited liability partnerships and foreign limited liability partnerships filings	5	3	3	3	3	3

◆ **Goal 2** To provide public disclosure through easy, accessible information and public documents, and on-line database search capabilities on the Secretary of State's website.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Trade names and Trademarks filed per month	2,999	3,100	2,600	3,100	3,000	3,000
Number of partnerships on file per month	99	75	89	75	100	100
Number of UCC records filed per month	4,981	4,000	5,640	4,000	5,500	5,500
Number of Advanced Directives filed per month	315	300	397	300	400	400

◆ **Goal 3** To provide service to allow Notaries Public to perform their duties accurately and efficiently in the state.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of notaries commissioned	18,302	18,000	18,724	18,000	18,000	18,000
Number of notary seminars	42	50	53	50	50	50
Notary applications turn-around time (# of business days)	5	5	6	5	4	3

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of notary handbooks printed and distributed	2,286	1,500	7,003	1,500	3,000	3,000
◆ <b>Goal 4</b> To serve the public with Telemarketing filing.						
<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of Telemarketing filings per year	50	50	60	50	70	70

**Program Summary**

PUBLIC SERVICES

Scott Cancelosi, Director

Phone: (602) 542-0223

A.R.S. §§ 41-311 et seq.; 41-1001 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	405.5	405.9	405.9	405.9
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>405.5</b>	<b>405.9</b>	<b>405.9</b>	<b>405.9</b>
<b>FTE Positions</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

◆ **Goal 1** To serve the public by providing printed materials accurately and expeditiously.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of publications printed and distributed (Code Price List, Notary Workbooks, Notary Handbooks, General Office Brochures, Elections materials, Trade Name/ Trademark Books, Uniform Commercial Code, Bingo Law & Rules and other miscellaneous publications)	39,500	40,000	50,465	40,000	50,000	50,000
Percentage of information printed and ready for distribution within 5 days	95	95	98	95	95	95
Number of Arizona Administrative Code subscribers	91	100	106	100	100	100
Number of Arizona Administrative Register subscribers	54	50	54	50	54	54
Number of Executive Orders (EO) filed	12	15	7	15	15	15

◆ **Goal 2** To develop new brochures, booklets and other publications as mandated by law or requested by the public; to produce and print them in-house.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Chapter Laws publications distributed; misc. legislative filings, veto letters	425	350	421	350	350	350

◆ **Goal 3** To provide service that allows agencies, boards and commissions to develop rules accurately and efficiently.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of rules and rule-related items filed	634	650	716	650	650	650

◆ **Goal 4** To serve the public by providing materials on-line accurately and expeditiously.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of Administrative Code available via the Internet within 21 days of release date	100	100	100	100	100	100
Percentage of Administrative Register available via the Internet in conjunction with publication date	100	100	100	100	100	100

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of time division publications are published online within one week of release of paper publication	100	100	100	100	100	100
Percent of Chaptered Bills/Memorials/Resolutions posted online within 48 hours of receipt	100	100	100	100	100	100
◆ <b>Goal 5</b> To provide public information and publications.						
<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of customers indicating they found the public information they were seeking	100	100	100	100	100	100
Percent of statutory publications provided	100	100	100	100	100	100



**Program Summary**

ELECTION SERVICES

Amy Chan, Director  
Phone: (602) 542-6167

A.R.S. §§ 16-101 et seq.; 19-101 et seq.; 38-541 et seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	4,261.5	4,266.0	4,265.0	4,265.0
Other Appropriated Funds	832.6	2,934.5	2,934.5	2,934.5
Other Non Appropriated Funds	7.9	7.9	7.9	7.9
<b>Total Funding</b>	<b>5,102.0</b>	<b>7,208.4</b>	<b>7,207.4</b>	<b>7,207.4</b>
<b>FTE Positions</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>

- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of Campaign Finance data available on-line	100	100	100	100	100	100
Percent of timely review and action on election law complaints	100	100	100	100	100	100
Number of Campaign Finance reports filed	8,352	4,500	5,716	8,000	6,000	6,000

**Explanation:** Fiscal Year 2012 only included the timeframe for 2 of the 6 campaign finance reports. Therefore less campaign finance reports were filed and amended in Fiscal Year 2012 than in Fiscal Year 2011.

Number of Political Committees registered	923	1,000	1,006	1,000	1,000	1,000
Number of Standing Political Committees registered	55	55	62	60	65	65

- ◆ **Goal 2** To coordinate statewide voter registration as provided under the National Voter Registration Act of 1993.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Use electronic format and information provided by county offices and MVD to maintain voter registration rolls (percent completed)	100	100	100	100	100	100
Number of publicity pamphlets printed and distributed (in thousands)	1,827.4	2,000.0	0	2,000.0	0	2,000.0
Number of registered voters (in thousands)	3,146.4	3,250.0	3,151.0	3,300.0	3,200.0	3,200.0
Number of Town Hall meetings per year for explanation of initiatives	27	0	0	25	0	25

- ◆ **Goal 3** To provide statewide voter registration election, voter outreach, and HAVA.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total voter registration	3,146,418	3,250,000	3,151,000	3,300,000	3,200,000	3,200,000
Percent of delinquent campaign finance filings	7.66	9.0	10.31	9.0	9.0	9.0
Percent of delinquent elected official financial disclosure statements	0	2.0	2.7	2.0	2.0	2.0

- ◆ **Goal 4** To train and certify election officers in accordance with A.R.S. § 16-407.

<b>Performance Measures</b>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>
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**Performance measures**

	<b>Actual</b>	<b>Estimate</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Number of election officers certified	0	300	342	0	350	0
Total combined hours of classroom training	32	125	153	35	150	35

**Program Summary**

ARIZONA STATE LIBRARY, ARCHIVES, AND PUBLIC RECORDS

Joan Clark, State Librarian  
 Phone: (602) 926-4035  
 A.R.S. §§ 41-151 through 41-151.23

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	6,201.2	7,297.5	7,896.5	7,766.0
Other Appropriated Funds	581.5	572.9	716.0	716.0
Other Non Appropriated Funds	5,499.7	5,491.9	4,556.3	4,556.3
<b>Total Funding</b>	<b>12,282.4</b>	<b>13,362.3</b>	<b>13,168.8</b>	<b>13,038.3</b>
<b>FTE Positions</b>	<b>120.2</b>	<b>120.2</b>	<b>126.2</b>	<b>126.2</b>

- ◆ **Goal 1** To connect people with Arizona’s government – past and present, and to illustrate how history was made and continues to be made in Arizona through the Arizona Capitol Museum. We connect the past to the present using a variety of resources to cultivate informed government participation.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Customer satisfaction (1=low to 8=high)	7.6	7.6	7	7	7	7
Museum visitors (total number)	58458	60000	72,955	70,000	60,000	60,000

**Explanation:** Increased visitation brought by Centennial not expected to carry forward.

Student Education Hours	22999	23000	37,853	37,853	37,853	37,853
Collection (total items)	8000	8000	8,022	8,022	8,022	8,022

- ◆ **Goal 2** To play the material for those who have difficulty reading standard print because of blindness, visual impairment or a physical disability through the Braille and Talking Book Library provide at no charge, Braille books, online access, audio books and magazines along with machines

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Holdings (Total Audio and Braille books, audio described movies, talking book machines and accessories)	519270	520000	342,518	342,518	342,518	342,518
Materials Provided (Items circulated and downloaded)	478205	479000	558,988	558,988	558,988	558,988
Patrons and Institutions Served	3947	4000	10,087	10,087	10,087	10,087
Volunteer Hours Donated	24246	24500	21,765	21,765	21,765	21,765

- ◆ **Goal 3** To collect, preserve and make available permanent public records, historical manuscripts, photographs, newspapers and other materials that contribute to the understanding of Arizona history through the History and Archives Division.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Permanent records ingested, processed, preserved and catalogued	5146	5150	198,685	198,685	198,685	198,685
Records accessed for research (boxes, volumes, maps, photographs, microfilm, books)	24914	25000	19,075	19,075	19,075	19,075
Records and preservation consults (government agencies and public)	310	320	324	324	324	324
Workshop and Tour attendees	163	180	1,224	1,224	1,224	1,224

- ◆ **Goal 4** To provide information and access relating to law, government information, and genealogy to the Legislature, state government and the public through the Law and Research Library .

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Premium online resources accessed by state agency employees and mediated for the public	101942	102000	68,226	68,226	68,226	68,226
Education programs (number of training hours)	N/A	N/A	8,604	8,604	8,604	8,604
Arizona Memory Project usage, includes state agency publications	677537	N/A	2,074,732	2,050,000	2,050,000	2,050,000

**Explanation:** Law & Research Collection usage comprises 307,138 of this total.

Collection usage by all users (e.g., circulation, Interlibrary Loan, full-text downloads)	N/A	N/A	52,983	52,983	52,983	52,983
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- ◆ **Goal 5** To help local libraries and librarians offer improved services to the people of Arizona by providing support, consulting services, training and grant funding to local libraries, and to make training space and meeting rooms in the historic Carnegie Center available to government agencies and non-profits at no charge through the Library Development Division.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Participants in statewide projects	7956298	7960000	23,647,825	23,647,825	23,647,825	23,647,825
Training hours offered in continuing education programs	N/A	N/A	9,872	9,872	9,872	9,872
Sub-grants awarded	N/A	N/A	60	60	60	60
Carnegie Center usage	7399	7400	10,177	10,177	10,177	10,177

- ◆ **Goal 6** To establish the standards, procedures and techniques for effective management of state and local government public records, and to store inactive state agency records through the Records Management division,.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Attendees for training classes	6938	7000	624	624	624	624
Records added or updated to retention schedule	3589	3600	3,968	3,968	3,968	3,968
Rolls of microfilm processed	2672	2700	981	981	981	981

**Explanation:** Reduction in staff resulted in decline in ability to process film.

Monthly average of boxes stored at the Records Center	226940	227000	220,231	220,231	220,231	220,231
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# State Board of Tax Appeals

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## State Board of Tax Appeals

### Five-Year Strategic Plan

#### Mission Statement:

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.

#### Strategic Issue:

To strive to expedite tax appeals in a manner that minimizes delays in the appeals process.

#### Strategy:

Maintaining a current appeals process continues to be the Board's chief priority. The timely issuance and publication of decisions not only benefits the parties involved in the appeals, but also provides much-needed guidance to tax attorneys, CPAs and tax practitioners, as well as others involved in the field of State taxation. Recent budget constraints have forced the Board to compress the number of appeals heard into fewer scheduled hearing days. The 2011 budget for the Department of Revenue included an increase of \$4,352,200 and 71 FTE positions to increase audit staff. Because the Board's caseload is directly related to the number of appeals generated at the Department of Revenue, more audits will most certainly increase the number of appeals filed with the Board, and with no corresponding increase to the Board's budget, this will directly impact the Board's caseload. Legislative changes and court decisions may also impact the appeals process.

Resource Assumptions State Board of Tax Appeals

	FY2013 Appropriation	FY2014 Budget Request	FY2015 Budget Request	FY2016 Estimate	FY2017 Estimate	FY2018 Estimate
Full-time- equivalent (FTE) Positions	4	4	4	4	4	4
General Fund	\$254,800	\$266,300	\$266,300	\$270,300	\$270,300	\$270,300
Other Appropriated Funds	\$0	\$0	\$0	\$0	\$0	\$0
Non- Appropriated Funds	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Total Agency Funds	\$254,800	\$266,300	\$266,300	\$270,300	\$270,300	\$270,300

### Agency Summary

#### STATE BOARD OF TAX APPEALS

Alisha L. Woodring, Executive Director  
 Phone: (602) 364-1102  
 A.R.S. § 42-1252

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	256.6	254.8	266.3	266.3
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>256.6</b>	<b>254.8</b>	<b>266.3</b>	<b>266.3</b>
<b>FTE Positions</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

◆ **Goal 1** To receive and process tax appeals expeditiously to avoid any delays in the appeals process.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Caseload processing (and number of issues)	43(95)	65(110)	47(101)	60(140)	65(150)	70(160)
Number of tax appeals resolved	14	35	27	40	45	50
Number backlogged requiring written decision	4	15	6	10	12	15
Number of months to process appeal	7	6.5	12	9	9	9



# Board of Technical Registration

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**State of Arizona**  
**Board of Technical Registration**  
**Five Year Strategic Plan**

**MISSION:** To protect the public by setting appropriate registration qualifications and efficiently and fairly enforcing all state statutes relating to the practice of Board regulated professions and occupations by registered and non-registered persons and firms.

**Agency Description:** The Board is a regulatory agency that is funded by fees charged applicants and registrants with the exception of the Methamphetamine, Ecstasy and LSD seized laboratory remediation program which will be funded by a \$15 court assessment on every person convicted of a drug or narcotic violation.

The Board is responsible for the licensing and regulation of the following professions and occupations:

- Alarm company personnel;
- Architects;
- Assayers;
- Certified Remediation Specialists;
- Drug Laboratory Remediation Personnel;
- Engineers (17 branches);
- Geologists;
- Home Inspectors;
- Landscape Architects, and
- Land Surveyors.

The Board currently consists of nine Board members, the Executive Director and 22 staff members. The nine Board members are appointed by the Governor. Eight Board members represent some of the professions regulated by the Board; one Board member is a “public” member. The Board’s Director, who is responsible for the operations of the Board and represents the Board before the legislature, is hired by the Board. The staff of the Board is hired and directed by the Director.

**Strategic Issues:** Major strategic issues impacting the Board operations include:

- National economic trends;

Arizona economic trends, and

Legislative decisions.

**Strategies:** The Board is in the process of updating its computer system to a Structural Query Language (SQL) Server based program that will allow enhanced and less expensive communication with applicant, registrants and other stakeholders. The recent introduction of a software program designed for electronic newsletter distribution was used in August to send out a number of e-mail notices of renewal to registrants due to renew in September. The response from the participating registrants was 100% positive. The Board staff is now collecting and entering into the SQL Server database for all applicants and registrants. As of September 30, the staff has collected over 14,000 e-mail addresses. This program alone will greatly reduce the cost of communication with applicants and registrants.

The next enhancement of the computer system is scheduled for FY 2014 and will include internet application filing and fee submission.

**Resource Assumptions:** The Board operations are funded by fees assessed in association with the licensing and regulation of the regulated professions and occupations and court assessments on persons convicted of crimes associated with illegal drugs and narcotics.

The Board has an active volunteer program and the volunteers are used to keep the costs of investigation down. The largest group of volunteers is the 125 professionals and lay persons used to assist investigators in making determinations of the validity of complaints filed alleging violations of statutes and rules. Two members of the group are asked to do independent evaluations of allegations of unprofessional conduct involving the technical aspects of professional practice; then five members are picked as a panel to sit down with the respondent and witnesses and documents to discuss and evaluate the complaint before making a recommendation to the investigative staff on possible violations and the seriousness of the allegations.

The second group of volunteers are members of the Arizona Rangers who are provided training on conducting investigations of seized illegal drug sites and providing reports and documentation on visual observations to determine if the sites are still posted and whether the sites appear to be vacant. The Rangers then prepare written reports and photographs to the Director of the Meth Lab investigation unit. The reports are used to assist in the determination of future investigative steps and, if necessary to assist in prosecution.

While national and state economic trends will have some impact on the number of persons applying for registration and renewing their registrations, the demand for additional engineers and architects, which represent approximately 75% of the Board's registrants, should remain strong as advances in technology open up opportunities for engineers and population growth increases the demand for architects.

If no new professions or occupations are added to the Board's responsibilities, revenue for the five year period between 2013 and 2017 should increase at least 2% annually. A 2% annual increase would net the Board an annual increase of approximately \$175,500.

The Board's fees for registration of architects and engineers are currently approximately 25% below the national average.

The court assessments are estimated to bring in approximately \$250,000 annually. That revenue, by statute, is designated for a non-reverting, un-appropriated fund that may only be used by the Board to pay expenses for drug lab related enforcement activity and for advancement of remediation funds to cities and towns for certain un-remediated drug lab cleanups.

<b>Revenue Assumptions (Agency Level)</b>
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<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request</b>	<b>FY 2016 Estimate</b>	<b>FY 017 Estimate</b>	<b>FY 2018 Estimate</b>
<b>FTE Positions</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>
<b>General Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Appropriated Funds</b>	<b>\$2,350,200</b>	<b>\$2,276,200</b>	<b>\$2,471,200</b>	<b>\$2,666,200</b>	<b>\$2,861,200</b>
<b>Non-Appropriated Funds</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$250,000</b>
<b>Federal Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Agency Funds</b>	<b>\$ 2,600,200</b>	<b>42,526,200</b>	<b>\$2,721,200</b>	<b>\$2,916,200</b>	<b>\$3,111,200</b>

**Goal # 1** To rapidly and accurately process applications for registration.

Objective 1: To reduce the average number of days to process an application to 60 days by June 1, 2013.

Performance measure 1: The actual average number of days to process an application in FY 2013.

Objective 2: To allow internet application for registration by July 1, 2014.

Performance Measure 2: The actual date that electronic application is available.

**Goal # 2:** To efficiently and effectively administer examinations to all applicants qualified for examination.

Objective 1: To fully utilize all available national council examination administration programs by July 1, 2013.

Performance Measure: The actual date that the Board becomes a participant in every national council offering examination administration services.

Objective 2: To cooperate with national councils to work toward national examination administration before state registration applications are filed and participate in all programs available by July 1, 2014.

Performance Measure: The percentage of participation in available programs on July 1, 2014.

**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 to requests for information relating to registration.

Objective 1: To fill one vacant position with an administrative assistant to assist the Deputy Director with the processing and evaluation of applications and providing assistance to those seeking advice relating to registration requirements by July 1, 2013.

Objective 2: To utilize the newsletter software program to develop and distribute newsletters tailored to each of the professions regulated

**Goal # 4** To actively investigate all instances of possible illegal conduct related to professional practice.

Objective: To reduce the average time in calendar days from receipt of complaint to resolution to 300 by July 1, 2014.

Performance Measure: The average number of days to closure for cases closed in FY 2014.

## Agency Summary

### BOARD OF TECHNICAL REGISTRATION

Ronald W. Dalrymple, Executive Director  
 Phone: (602) 364-4930  
 A.R.S. §§ 32-101, 32-106, 32-107

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	1,715.6	2,028.3	2,350.2	2,176.2
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,715.6</b>	<b>2,028.3</b>	<b>2,350.2</b>	<b>2,176.2</b>
<b>FTE Positions</b>	<b>23.0</b>	<b>23.0</b>	<b>25.0</b>	<b>25.0</b>

◆ **Goal 1** To rapidly and accurately process applications for registration.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of denial decisions accepted without appeal by applicants as satisfactory	100	100	100	100	100	100
Percent of new registrants grading application processing as good or better	95	100	95	100	100	100
Percent of applications transmitted to Board Members for action within five days of receipt of last needed item	100	100	97	100	100	100
Applications processed	1,022	1,652	1,272	5,652	3,272	3,272
Applications received	1,022	1,652	1,272	5,652	3,272	3,272
Professional applications received	1,289	1,428	1,038	1,428	1,038	1,038
Total number of In-Training Certificate holders	9,336	9,065	9,553	9,065	9,553	9,553
In-Training applications received	223	224	234	224	234	234
Licensing Renewals	9,425	9,586	8,217	9,586	8217	8217
Average number of days to process an application	90	90	105	90	105	105
Total number of professional licensees	32,018	32,018	36,920	40,920	40,920	40,920

◆ **Goal 2** To efficiently and effectively administer exams to all applicants qualified for examination. To cooperate with national councils to work toward national examination administration before state registration application.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of national examinations administered by National Councils efficiently	99	99	100	99	100	100

◆ **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	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of persons grading response to request for information as good or better	100	100	100	100	100	100
Number of information requests	37,900	37,900	63750	110,00	125,000	125,000

◆ **Goal 4** To actively investigate all instances of possible illegal conduct related to professional practice.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
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Percent of complainants grading complaint processing as good or higher	100	99	99	99	100	100
Percent of complaints resolved by informal methods	100	100	100	100	100	100
Number of investigations completed	122	109	146	109	146	146
Number of complaints received	101	154	102	154	154	154
Complaints against non-registrants determined to warrant investigation	32	38	29	38	38	38
Complaints against non-registrants resulting in enforcement action (percent)	45	81	28	50	50	50
Complaints filed against licensees	72	101	63	101	101	101
Average time in calendar days from receipt of complaint to resolution	454	180	372	300	250	180
Percent of complaints against registrants resulting in disciplinary action (percent)	34	56	17	20	20	20
Complaints against registrants determined to warrant investigation	72	101	46	50	50	50
Total number of complaints closed	122	109	147	108	108	108

# Office of Tourism

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding





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Phoenix, Arizona 85007  
602-364-4158  
[www.azot.gov](http://www.azot.gov)

**Five-Year Strategic Plan  
FY2014-2018**

**December 18, 2012**

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Dear Arizonans:

Arizona is a place like no other, a land of authentic abundance, where residents and visitors alike can experience life to the fullest. This is what distinguishes Arizona from other destinations, and it is these qualities that capture the vision of the Office of Tourism’s Five-Year Strategic Plan.

Arizona’s travel and tourism industry is operating in a new landscape driven by sustained economic challenges, evolving demographics, emerging technology and shifts in consumer travel patterns.

We see this as an opportunity to strategically market Arizona in a way that is responsive, creative and forward-thinking. The FY2014–FY2018 Strategic Plan is our roadmap for getting there.

Arizona’s travel and tourism industry is well positioned to ensure that the Grand Canyon State is recognized globally as a world-class travel destination, generating additional revenues that contribute to the vitality of Arizona.



**Sherry Henry**  
**Director**  
**Arizona Office of Tourism**

## **Overview of the Agency**

The Arizona Office of Tourism (AOT) is a state government agency dedicated to developing, implementing and maintaining marketing programs that keep Arizona top-of-mind as a world-class travel destination all directed at strengthening and expanding Arizona's economy.

As the only public agency that provides a statewide platform to market Arizona, the local travel and tourism industry relies on AOT to create an umbrella marketing campaign, promoting Arizona as the destination of choice against competitive brands.

As the leader of the Arizona travel industry, AOT fulfills several important functions that are not carried out by anyone else in the state:

- AOT has defined a strong brand for Arizona that resonates with consumers, and is used in all our marketing efforts.
- AOT works with communities to utilize this brand to further leverage their marketing efforts and dollars.
- AOT takes the lead in marketing Arizona internationally, with ongoing efforts in Canada, Mexico, the United Kingdom, Germany and Japan.
- AOT also works to open new and emerging markets, most recently adding China and Brazil (FY2013) on behalf of the Arizona travel industry.
- AOT's research program supports its own work and the work of many communities in Arizona. As defined by statute, AOT provides the only available documentation of the statewide and county economic impact of the travel industry in Arizona.
- In addition to providing tourism promotion and research leadership, AOT collaborates extensively with communities and tribes, providing educational programs and technical assistance.
- AOT works closely with public land agencies to promote the magnificent national parks, state parks, public lands and tribal lands that constitute 70% of our state's geography, which are critically important to our appeal as a leisure destination.

## **Tourism Background**

Tourism is big business in Arizona, really big. No other Arizona industry produces the same economic impact and directly impacts all 15 counties. Ranked #1 among Arizona's export-oriented industries - Microelectronics, Aerospace, Agriculture and Mining - the travel and tourism industry's total economic impact of \$18.3 billion generated more than 157,700 jobs, and when combined with indirect employment impacts nearly 300,000 jobs statewide. Federal, state and local taxes of \$2.7 billion directly generated by tourism in 2011, saves each Arizona household \$1,030 of additional taxes annually. In terms of domestic U.S. visitation in comparison to other states, Arizona ranks #15 with 2.8 percent of the market share.

**Mission**

To strengthen and expand Arizona's economy through travel and tourism promotion.

**Vision**

Arizona is recognized as a world-class destination.

**Values**

AOT's organizational culture is defined by core values that form the basis of our code of conduct, describing how we expect our staff to act and interact.

**Respect**

- We will demonstrate respect for each other, for our state, its lands, and its people.

**Accountability**

- We are responsible to the people of Arizona for the effective, efficient and appropriate use of our resources. We are passionate and determined to attain the knowledge regarding statewide visitor attributes to accurately represent the State of Arizona in our global marketing efforts.

**Integrity**

- We honor our commitments and carry out our work according to the highest personal and professional standards. We are honest and adhere to a moral and ethical code of conduct in all of our actions.

**Leadership**

- We take pride in being the only entity promoting Arizona as a world-class travel and tourism destination to global audiences. We, as individuals and as an agency, are honored to provide leadership to statewide industry partners in the marketing of our state.

### **Strategic Issues**

1. **Global Market Competitiveness and Market Share**
2. **Research**
3. **Technology**

## **Strategic Issue 1.            Global Market Competiveness**

The global travel market has become increasingly competitive. Not only other states, but also other countries actively market themselves to potential travelers and new destinations are aggressively competing for market share.

Travel and tourism are critical to the Arizona economy. No other Arizona industry produces the same economic impact as the travel and tourism industry and directly impacts all 15 counties. As Arizona's and the U.S. economy begins to improve, it is more crucial than ever for Arizona to be competitive with marketing efforts that inspire visitors to come here and that speak directly to the needs and wants of target customer segments.

Unfortunately, the economic downturn forced a loss of Arizona's full tourism funding for the past five years. As a result of this year-over-year budget decrease and the absence of Arizona's national and international consumer campaigns, AOT must begin rebuilding its global brand presence in this increasingly competitive environment.

In order to recover from staying competitive in the market and increase the overall economic impact of tourism during the next five years, additional and consistent investments will need to be made in AOT's marketing efforts.

### **Strategic Goals**

1. Marketing & Promotion
2. Education & Technical Assistance
3. Collaboration, Cooperation & Partnerships
4. Authenticity

## **Strategic Issue 2.            Research**

Research has served as the foundation of all that we do to market Arizona since AOT's inception in 1976. In fact, A.R.S. §§ 41-2305 requires AOT to undertake a comprehensive research program designed to establish the office as the central repository and clearinghouse for all data which relates to tourism; perform research necessary to determine a long-range tourism development plan for this state; and, conduct research at the request of the governor, the legislature or state or local agencies, pertaining to any of its objectives.

While AOT continues to provide annual research measuring our advertising effectiveness, the economic impact of the travel industry to Arizona's economy and tracking tourism indicators, much needed consumer research related to our marketing efforts has not taken place for several years due to funding cuts. The evolution of the way visitors approach their travel combined with the series of economic shocks that have impacted our industry's performance has created a critical need for timely, quality research such as consumer focus groups, behavioral research and niche audience surveys to better understand how to reach our visitors and guide our marketing decisions.

Strategic research projects must be phased in over the next five years to analyze our advertising efforts. The data accumulated will allow us to conduct a series of evaluations on our FY2014 new advertising and marketing campaigns to determine if the message is reaching the intended audience, help us identify areas of opportunities to develop targeted marketing initiatives, and determine trend analysis for changing demography related to age, gender and culture. This much needed information will also assist in developing strategic marketing plans for future campaigns with an overall goal of achieving the maximum return on investment for Arizona.

### **Strategic Goals**

1. Marketing & Promotion
2. Education & Technical Assistance
3. Collaboration, Cooperation & Partnerships

### **Strategic Issue 3.            Technology**

Rapidly evolving technologies are changing the way consumers access information and make their travel decisions. And, new ways to communicate continue to change how people get and share information. The proliferation of mobile devices, smart phones, apps and social networking has redefined the way people plan for and experience travel.

Given these trends, it's critical that AOT continue developing accessible and diverse content that can engage consumers in multiple ways.

AOT must update and continually develop meaningful mobile strategies, applications and services that would provide real time information to travelers and recreationists as well as continuously update and meet the needs of our consumer website [arizonaguide.com](http://arizonaguide.com).

### **Strategic Goals**

1. Marketing & Promotion
2. Education & Technical Assistance



## **Strategic Goals**

### **1. Marketing & Promotion**

To expand the Arizona brand through effective mediums at the regional, national and international levels to attract and retain visitors; being recognized as a world- class destination.

### **2. Education & Technical Assistance**

To provide comprehensive research, educational and technical assistance programs for partners and stakeholders in order to further our mission and vision.

### **3. Communication & Outreach**

To clearly, accurately and consistently communicate the agency's messages to various audiences including internal and external partners, stakeholders, media, and consumers. To reach out to these audiences in a timely manner using effective and efficient methods that will increase the awareness of the agency, the travel and tourism industry and Arizona as a world-class destination.

### **4. Collaboration, Cooperation & Partnerships**

To foster or strengthen collaborative processes and partnerships between and among state agencies, local governments, stakeholders and private sector organizations in order to achieve a more coordinated approach to travel and tourism to help grow Arizona's economy.

### **5. Authenticity**

To be internationally recognized for Arizona's rich and authentic opportunities to experience our natural, cultural, and historic resources.

### **6. Standards & Stewardship**

To know and conform to government compliance as well as our agency standards at all times, and provide responsible planning and management of our resources.

## **Strategic Goal 1: Marketing & Promotions**

**Description:** To expand the Arizona brand through effective mediums at the regional, national and international levels to attract and retain visitors; being recognized as a world- class destination.

### **Strategic Issues:**

Global Market Competiveness  
Research  
Technology

### **Strategies:**

#### 1. Redesign the Consumer Website.

##### *Objectives:*

- Based on receiving SPO statewide marketing and/or website contract companies, review available companies that provide the spectrum of work required; by February 2013
- Establish a consumer website “task force” and complete internal plans and concepts for the redesign of the consumer website as well as define consumer research required for redesign project; by February 2013
- Launch new consumer website; by January 2014

#### 2. Develop a new national/international advertising campaign.

##### *Objectives:*

- Based on receiving SPO statewide marketing and/or website contract companies, review available companies that provide the spectrum of work required; by November 2012
- Send Scope of Work to companies with AOT eligible for agency work; by December 2012
- Evaluate submissions by companies and determine AOT’s agency; by January 2013
- Selected agency and AOT begin immediate planning of new national/international campaign; by February 2013
- Determine research required in order to implement a new advertising campaign and strategy; by March 2013
- Launch new campaign; by October 2013

#### 3. Implement a Social Media Strategy.

##### *Objectives:*

- Social Media “Ark” Team will determine tactical decisions and strategy focusing on awareness; by November 2012
- Blog name and direction will be finalized and determined; by January 2013

4. Prioritize Emerging International Markets.

*Objectives:*

- Contract with a firm in Brazil and China, begin launch to promote Arizona as a travel destination to media and tour operators; by December 2014
- Review and reestablish mature markets and consider reentering these markets i.e. France, Germany and the U.K.; by July 2015
- Review and consider adding one new international market each year in FY2016, FY2017 and FY2018

5. Research, Prioritize and Expand Niche and Target City Markets.

*Objectives:*

- Meeting with goal setting and timeline for research studies; by December 2013
- Review and make recommendations about bicycling niche target based on the results from the ADOT bicycling tourism research study; by March 2013
- Complete website survey; by June 2013
- Review and make recommendations based on the results of the ad effectiveness study; by May 2013
- Develop white paper for golf research study; by June 2013
- 

6. Develop a strategic plan to utilize Super Bowl XLIX (2015) as a media opportunity.

*Objectives:*

- Provide input and support of media mission at Super Bowl XLVII in New Orleans; February 2013
- Negotiate with Super Bowl Host Committee to have AOT/tourism industry representative on its Board; coordinate appropriate staff to be involved on planning committees; by April 2013
- Provide leadership in advance of media mission for Super Bowl XLVIII in New York City; ongoing in FY2014 and coordinate by November 2014
- Implement AOT internal strategy for Super Bowl XLIX; by March 2014. *Considerations for strategy include: focus on areas outside of Metro Phoenix; search and/or optimizing campaign; social media campaign; what if team is from a target city; PR Outbound campaign; provide B-Roll for Television shows and news; provide photo library.*

7. Develop an internal promotional calendar.

*Objectives:*

- Utilizing the Editorial Calendar as a template, establish a promotional calendar to include and serve all divisions of work; by March 2013
- Review draft promotional calendar with Division Directors and discuss strategic opportunities based on brand and niche targets; by January 2013
- All divisions will utilize the agreed upon promotional calendar for Fiscal Year planning of their program of work; by March 2013 for FY2014 and annually in February thereafter

## **Strategic Goal 2: Education & Technical Assistance**

**Description:** To provide comprehensive research, educational and technical assistance programs for partners and stakeholders in order to further our mission and vision.

### **Strategic Issues:**

Global Market Competiveness  
Research  
Technology

### **Strategies:**

1. Develop a research strategy reestablishing research as our foundation for all decisions pertaining to marketing.  
*Objectives:*
  - Create an inventory of all research AOT tracks for the industry, invests in monetarily and is available to AOT; by December 2012
  - Present the inventory information at Division Director's meeting to obtain direction on what research should continue, change or be contracted through procurement; by January 2013
  - A research strategy and program of work will be determined to include a timeline and resources required; by June 2013
  - Schedule tutoring class to learn how to access data and research about and for B2B website [www.azot.gov](http://www.azot.gov); by January 2013
2. Elevate the quality and stature of our educational workshop program Arizona Tourism University (ATU)
  - Create a plan for ATU by May 2013. *Consideration will be to provide ATU through webinars only, especially if regional meeting strategy comes into fruition.*
3. Develop a plan for annual regional meetings that incorporates several aspects of AOT work and promotes tourism in each of the regions.
  - Create a draft agenda to present to Division Directors; by March 2013
  - Determine a list of educational topics for presentations; by May 2013
  - Pending approval and funding, implement regional meetings to begin in FY2014 and annually thereafter; initially by May 2013

4. Analyze and determine future of AOT's Local Visitor Information Center (LVIC) program.

*Objectives:*

- Provide recommendation to Director for future LVIC program with implementation in FY2014; by April 2013
- Implement a Customer Service program of work; by FY2016

5. In partnership with community partners, determine and provide specific technical assistance.

*Objectives:*

- Review outcome and value of the FY2013 Marketing Assistance for Rural Communities (MARC) and make recommendation to expand and/or increase percentage of match for future Fiscal Years; by August 2013
- Review success of the FY2013 pilot Rural Assessment Program and make recommendation for future Fiscal Years; by August 2013

6. Provide data to American Indian tribes based on outcomes from the FY2013 year-round Visitor Study; ultimately providing important information for a comprehensive tribal tourism strategic plan.

*Objectives:*

- Data retrieved from Visitor Study will be evaluated and presented to AOT, and in turn AOT will compile information into a formal presentation; by December 2013
- A series of presentations will take place across Arizona for tribes to learn the outcomes from the Visitor Study; by June 2014
- Based on the outcomes of the Visitor Study and input from the tribes, review the possibility of contracting for a comprehensive tribal tourism strategic plan to be utilized by each tribe; by September 2014

7. Develop an internal American Indian (AI) strategic plan to include marketing, outreach, education and technical assistance. *Specific strategies and goals will be placed within each strategic goal and identified as AI goal; by May 2013 for FY2014*

*Objectives:*

- In consultation with Community Relations, continue the annual American Indian AOT on the Road giving consideration to adding this component to regional meetings immediately prior or after; by May 2013

- Develop a “Power of Travel” chart for Arizona American Indians, similar to US Travel Association; by September 2014
- Develop ongoing content for AOT on the Road that can be in rotation i.e. customer service, itinerary building, how to work with international markets/tradeshows/tour operators, crisis communication; by August 2013

### **Strategic Goal 3: Communications & Outreach**

**Description:** To clearly, accurately and consistently communicate the agency's messages to various audiences including internal and external partners, stakeholders, media, and consumers. To reach out to these audiences in a timely manner using effective and efficient methods that will increase the awareness of the agency, the travel and tourism industry and Arizona as a world-class destination.

#### **Strategies:**

1. Develop formal internal meetings and communications plan.  
*Objectives:*
  - Provide recommendation to Director for staff and director meetings to include ongoing strategic planning within the agenda; by November 2013
2. Develop formal external meetings and communications plan.  
*Objectives:*
  - Provide recommendation to Director for annual regional meetings to include timeline, schedule and agenda; by January 2013
3. Develop an outbound corporate public relations strategic plan.  
*Objectives:*
  - Create a current communications product inventory to include information about readership; by January 2013
  - Complete a survey about what information readers would like to review in *AOT in Action*; by January 2013
  - Present communications product inventory to the Division Directors for review of relevancy and additional needs; by January 2013
4. Determine usage of ACT Database; analyze policy and upkeep for future use.  
*Objectives:*
  - Create an internal "task force" to review and determine who has access to create/delete, research formal training opportunities for additional staff usage; by April 2013



5. Develop internal plan for the continual update and content of the B2B Website [www.azot.gov](http://www.azot.gov).

*Objectives:*

- Review GITA regulations for agency website; by November 2013
- Develop guidelines based on GITA regulations to redesign agency website; by December 2013
- Create a timeline with input from Advertising and Communications for redesign; by January 2014

## **Strategic Goal 4: Collaboration & Partnerships**

**Description:** To foster and strengthen collaborative processes and partnerships between and among state agencies, local governments, stakeholders and private sector organizations in order to achieve a more coordinated approach to travel and tourism to help grow Arizona's economy.

### **Strategic Issues:**

Global Market Competitiveness  
Research

### **Strategies:**

1. Determine and Prioritize existing and new Partnerships.  
*Objectives:*
  - Survey staff on existing partnerships; review at November 2012 staff meeting with results by December 2012
  - Prioritize partnership list; by January 2013
  
2. Develop plans to create strategic opportunities for AOT and partners that leverage our marketing plans.  
*Objectives:*
  - Expand partnership list based on strategic advertising/trade/media relations goals; by April 2013 and finalize by June 2013
  - Reevaluate partnerships quarterly based on strategic advertising/trade/media relations goals; by September, December, March and June each Fiscal Year beginning in FY2014
  
3. Facilitate stronger industry and community inclusiveness, cooperation & cohesiveness; not competitiveness.  
*Objectives:*
  - Create strategic external presentations by the Director to foster cohesiveness i.e. annual or monthly DMO/association board meetings; by April 2013
  - Create strategic internal presentations by agencies and travel related associations to foster inclusiveness; by April 2013

**Strategic Goal 5: Authenticity**

**Description:** To be internationally recognized for Arizona's rich and authentic opportunities to experience our natural, cultural, and historic resources.

**Strategic Issues:**

Global Market Competiveness

**Strategies:**

1. The agency will continue to promote authentic experiences relating to our American Indians, Hispanic and Old West cultures.

*Objectives:*

- As research progresses through FY 2014, the outcomes will be reviewed and the AOT marketing staff will devise a specific implementation plan for FY2015; by end of FY2014

## **Strategic Goal 6: Standards & Stewardship**

**Description:** To know and conform to government compliance as well as our agency standards at all times, and provide responsible planning and management of our resources.

### **Strategies:**

1. Process and facilitate Arizona's new Personnel Reform Standards.  
*Objectives:*
  - Establish AOT performance and compensation plans, with consideration of selective items pertaining to professional development and education; by June 2013
  - Based on approvals of the Attorney General and Department of Administration, an agency policy manual will be finalized and distributed to staff; by January 2013
  - Position definition summaries will be created to supplement AOT organizational chart; by March 2013
2. Develop guidelines for staff professional development & education opportunities.  
*Objectives:*
  - The administrative division will determine 10-15 "How To" presentations for AOT staff meetings; by February 2013
  - The administrative division will provide a "How To" presentation at monthly AOT staff meetings; beginning February 2013
  - Implement guidelines for staff professional development and education opportunities; by July 2013
3. Develop a template to guide staff on contract and procurement planning.  
*Objectives:*
  - Reissue AOT procurement policy to include a requisition form and timeline for the internal and external process; by February 2013
4. Develop timeline to begin the process of ADOA approval for FTE positions in FY2014 and FY2015.  
*Objectives:*
  - Establish job description and timeline for one FTE in the Advertising division in FY2014; by July 2013
  - Establish job description and timeline for one FTE in the Research division in FY2014; by July 2013

- Establish job description and timeline for one FTE procurement position, transferring the management of procurement solely to the Administrative division in FY2015; by July 2014

5. Develop timeline to transfer management of procurement contracts from divisions solely to the administration division.

*Objectives:*

- Begin process of ADOA approval for procurement position that will transfer the management of procurement solely to the Administrative division; by July 2014

6. Actively pursue Vendors to convert to Arizona's ACH Direct Deposit

*Objectives:*

- Enclose with processed checks a GAO flyer informing vendors how they can convert to ACH Direct Deposit; between January-March 2013
- Make three to five phone calls a month informing vendors how they can convert to ACH Direct Deposit; between January-March 2013
- Review results of flyer distribution and phone calls in regard to converting vendors to ACH Direct Deposit. Establish new or updated objective based on results; by April 2013

**Resource Assumptions**

<b>Resource Assumptions (\$ Thousands)</b>						
	<b>FY 2013 Actual</b>	<b>FY 2014 Request</b>	<b>FY 2015 Estimate</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
Full-time-equivalent (FTE) Positions	26	28	30	32	34	36
General Fund	7,000.0	12,000.0	15,000.0	18,000.0	21,000.0	24,000.0
Other Appropriated Funds	0.0	0.0	0.0	0.0	0.0	0.0
Non-Appropriated Funds – Indian Gaming Compact Fund (Prop 202 in 2002) + *	6,000.0	6,300.0	6,615.0	6,945.0	7,292.0	7,656.0
Non-Appropriated Funds – Maricopa County Grant (Prop 302 in 2000) + **	6,800.0	7,200.0	7,623.0	8,071.0	8,545.0	9,047.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Agency Funds</b>	<b>19,800.0</b>	<b>25,500.0</b>	<b>29,238.0</b>	<b>33,016.0</b>	<b>36,837.0</b>	<b>40,703.0</b>

- + FY2013 is estimated, *not actual*, due to a percentage of collected taxes being allocated quarterly throughout the Fiscal Year to the Tourism Fund
- \* Annual Indian Gaming Compact Fund increase estimated at 5%
- \*\* Annual Maricopa County Grant Fund increase estimated at 5.88%

### Agency Summary

#### OFFICE OF TOURISM

Sherry Henry, Director  
 Phone: (602) 364-3717  
 A.R.S. §§ 41.2301 to 41.2306

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ ADMINISTRATION	1,784.9	7,000.0	12,000.0	15,000.0
➤ TOURISM PROMOTION	9,912.5	12,869.9	12,869.9	12,869.9
<b>Agency Total:</b>	<b>11,697.4</b>	<b>19,869.9</b>	<b>24,869.9</b>	<b>27,869.9</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	7,000.0	12,000.0	15,000.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	11,697.4	12,869.9	12,869.9	12,869.9
<b>Total Funding</b>	<b>11,697.4</b>	<b>19,869.9</b>	<b>24,869.9</b>	<b>27,869.9</b>
<b>FTE Positions</b>	<b>25.0</b>	<b>26.0</b>	<b>28.0</b>	<b>28.0</b>

### Program Summary

#### ADMINISTRATION

Sherry Henry, Director  
 Phone: (602) 364-3717  
 A.R.S. §§ 41.2302 to 41.2305

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	7,000.0	12,000.0	15,000.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	1,784.9	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,784.9</b>	<b>7,000.0</b>	<b>12,000.0</b>	<b>15,000.0</b>
<b>FTE Positions</b>	<b>25.0</b>	<b>26.0</b>	<b>28.0</b>	<b>28.0</b>

◆ **Goal 1** To ensure the efficient, timely, and accurate administration of AOT's financial and business affairs.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of invoices paid within 30 days	92	92	92	92	92	92
Average number of days for processing invoices received	13	13	13	13	13	13

◆ **Goal 2** To ensure all AOT operating activities comply with State Procurement Code and provide and maintain centralized records accessible for review.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Hours of certified training in procurement	16	16	16	16	16	16

**Program Summary**

TOURISM PROMOTION

Sherry Henry, Director  
 Phone: (602) 364-3717  
 A.R.S. §§ 41.2302 to 41.2305

**This Program Contains the following Subprograms:**

- ▶ State Tourism Promotion
- ▶ In-State Tourism Promotion (Prop 202)
- ▶ Maricopa County Tourism Promotion

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	9,912.5	12,869.9	12,869.9	12,869.9
<b>Total Funding</b>	<b>9,912.5</b>	<b>12,869.9</b>	<b>12,869.9</b>	<b>12,869.9</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Subprogram Summary**

STATE TOURISM PROMOTION

Sherry Henry, Director  
 Phone: (602) 364-3717  
 A.R.S. §§ 41.2302 to 41.2305

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	4,758.4	6,000.0	6,000.0	6,000.0
<b>Total Funding</b>	<b>4,758.4</b>	<b>6,000.0</b>	<b>6,000.0</b>	<b>6,000.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To expand the volume of tourism activity through tourism promotion and development.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of domestic tourists (in millions)	32.2	32.0	32.8	33.0	33.5	34.0

◆ **Goal 2** To efficiently use advertising resources (both online and offline) to generate demand for Arizona tourism information.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Cost per inquiry for advertising-generated requests for Arizona travel planning information (in dollars)	19.4	19.4	20.8	28.9	28.9	29.8
Number of inquiries for Arizona travel packet (in thousands)	156	156	154.0	243.0	311.0	335.0
Number of visitors to AOT's consumer web sites for Arizona travel planning information (in thousands)	1,928	2,005	1,575	2,433	3,114	3,425



Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Customer satisfaction rating for travel kits program (scale 1-5, 5=very satisfied)	4.2	4.3	0	0	0	0

◆ **Goal 3** To offer the Arizona tourism industry the opportunity to participate in cost-efficient and effective advertising programs with AOT.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of partners who participate in the Marketing Cooperative Program with AOT.	0	0	3	19	24	29

◆ **Goal 4** To work with the travel trade and media to generate increased interest in Arizona amongst target consumers.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Contacts at trade shows and on sales missions	0	0	1,669	1,700	1,750	1,800
Participants on familiarization tours and site inspections	43	40	50	54	57	60
Participants on group press trips and individual media visits	95	96	101	107	110	112
Advertising value of domestic and international coverage generated by AOT efforts for every \$1 expended on media promotions (ROI in dollars)	56.86	50.00	54.00	55.00	55.00	55.00

◆ **Goal 5** To generate positive media coverage for the Arizona Office of Tourism and the tourism industry.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Circulation of print, TV, radio and online coverage about AOT and the tourism industry (in millions)	0	0	273	300	325	350
Advertising value of print, TV, radio and online coverage about AOT and the tourism industry (in dollars)	0	0	190,902	200,000	225,000	250,000

◆ **Goal 6** To provide tourism-related technical assistance to communities and Native American tribes throughout Arizona.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of constituents participating in workshops and meetings	337	320	406	320	350	400

◆ **Goal 7** To provide information to visitors at the Painted Cliffs Welcome Center to provide tourism-related information about Arizona and encourage them to extend their travel throughout Arizona.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of visitors to the Welcome Center	119,357	120,000	114,000	118,000	119,000	120,000

**Subprogram Summary**

IN-STATE TOURISM PROMOTION (PROP 202)

Sherry Henry, Director  
Phone: (602) 364-3717  
A.R.S. § 41.2306

◆ **Goal 1** To maintain reach and frequency through AOT's national/domestic marketing programs.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Increase the number of gross impressions (in millions)	271	298	397	388	520	572

◆ **Goal 2** To expand the reach and frequency in select target markets and/or in select target audiences.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Increase the number of gross impressions in select target cities (in millions)	0	0	0	237	280	308

**Subprogram Summary**

MARICOPA COUNTY TOURISM PROMOTION

Sherry Henry, Director  
Phone: (602) 364-3717  
A.R.S. § 41.2306

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	5,154.1	6,869.9	6,869.9	6,869.9
<b>Total Funding</b>	<b>5,154.1</b>	<b>6,869.9</b>	<b>6,869.9</b>	<b>6,869.9</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To distribute Proposition 302 money in a timely manner

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Average number of days from Treasurer's Office notification to disbursement of funds	3	3	3	3	3	3

# Department of Transportation

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**ARIZONA DEPARTMENT OF TRANSPORTATION**  
**STRATEGIC PLAN (Draft)**  
**FISCAL YEARS 2014-2018**

## EXECUTIVE SUMMARY

Transportation is critical to Arizona's economic success. To have a strong economy, our state must have quality highways, public transit, railroads, airports and ports of entry to get people to work and to move products and provide services. By building transportation infrastructure, we can actually strengthen the economy, create jobs and support business development. However, a significant gap exists between projected revenues and transportation investments necessary to support a vibrant economy. Our priorities for the future will focus our limited resources on preserving and modernizing what we already have to protect the taxpayer investment in the existing transportation system.

## GOALS

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- Maximize current resources to fulfill the public's needs
- Identify new funding opportunities to meet the state's transportation infrastructure needs now and in the future

Strategies to accomplish these goals will concentrate on the preservation and modernization of our existing transportation system to maximize its performance, while aligning the Department organizational structure and improving its processes to reduce costs, increase efficiency and sustain customer service levels. We will enhance relationships with Arizona businesses as well as with local, regional and federal planning partners and policy makers to inform them about the connection between a strong economy and a strong transportation system. Our objective is to foster discussion about future transportation funding and governance that can support business development and job creation for a vibrant state economy and quality lifestyle for its citizens.

## MISSION

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To provide a safe, efficient, cost-effective transportation system.

## VISION

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The standard of excellence for transportation systems and services.

## VALUES

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Employees are the cornerstone of our success.

**Accountability** – We take responsibility for our actions.

**Integrity** – We hold ourselves to the highest ethical and professional standards.

**Respect** – We treat everyone with respect and dignity.

## STRATEGIC ISSUES

In November 2011, the State Transportation Board adopted the update to the state’s long-range transportation plan, called “What Moves You Arizona,” which identified investment choices based upon projected transportation revenues during the next 25 years. Our priorities for the future will focus our limited resources on preserving and modernizing what we already have to protect taxpayers’ investment and to maximize performance of the existing transportation system. Continuing resource limitations may affect our ability to deliver a safe, efficient and effective transportation system that facilitates business development and job creation, while contributing to a vibrant state economy as one of the nation’s emerging population centers.

## GOALS

1. Maximize available resources to provide essential services to ADOT’s customers.
2. Identify and explain the need for new, sustainable funding opportunities dedicated to multimodal transportation projects.

## STRATEGIES

1. Prioritize and focus on the products and services most critical to serving the public, collecting revenue and maintaining the transportation infrastructure.
2. Align the organizational structure to optimize effectiveness and reduce costs.
3. Increase efficiency of service delivery processes and systems.
4. Refine ADOT’s performance measures.
5. Research, evaluate and explain alternative funding sources to help finance and maintain a multimodal transportation system.



## AGENCY DESCRIPTION

The Arizona Department of Transportation is the state agency responsible for collecting transportation revenues and for planning, constructing and maintaining Arizona's highway infrastructure for the safe and efficient movement of people and products throughout the state. The transportation system supports the state's economy and the quality of life enjoyed by its citizens.

ADOT works with customers, stakeholders and partners to identify significant transportation issues in Arizona and to improve existing systems and practices. The Arizona Long-Range Transportation Plan builds on numerous studies and plans to identify future needs, develop solutions and deliver projects that address the transportation challenges Arizona will face over the next 25 years. ADOT has developed a public-private partnership program to allow the private sector to participate in the delivery of transportation projects and take on some or all of a project's risks and responsibilities to design, build, finance, operate and maintain transportation infrastructure.

ADOT represents the state for the planning, developing, maintaining and operating facilities for the efficient movement of people and goods by air in Arizona. ADOT develops long-range state aviation plans and distributes funding for airport development and air navigation facilities. Aviation funding assists public airports with airport master plans, land acquisition and infrastructure preservation and improvement projects. ADOT also owns and operates the Grand Canyon National Park Airport, the only state-owned airport and the third busiest airport in Arizona.

The Motor Vehicle Division provides motor vehicle title and registration services, issues driver credentials, inspects vehicles, registers aircraft, collects transportation revenues and distributes such revenues to the state, counties, cities and towns. The Enforcement and Compliance Division ensures that commercial vehicles comply with size, weight and safety laws as well as collects revenue and conducts criminal and administrative investigations.

The health of these revenues directly impacts ADOT's ability to successfully deliver a range of transportation projects that will help create jobs and deliver economic and quality-of-life benefits for Arizona residents and businesses.

## TRANSPORTATION CHALLENGES

A safe, efficient transportation system that provides Arizona businesses with transportation options to move people and deliver products and services is critical to the state economy and affects the daily life of every Arizonan. In today's economy, a sound transportation system is needed for Arizona businesses to successfully compete in a global marketplace as well as for the state to retain and attract businesses and jobs.



This vital infrastructure, however, is showing signs of aging, requiring more extensive rehabilitation. Revenues allocated to transportation are shrinking in relationship to demand for transportation infrastructure. The gasoline and use fuel tax is based on the number of gallons sold and used, which means as vehicles become more fuel efficient revenues decline in relationship to highway usage. As a result, a greater proportion of available revenues will be invested in the preservation and modernization of the existing transportation system. Present revenue projections are inadequate to fund needed improvements to the transportation system at the rate needed to keep pace with business development and growth. ADOT is the lead state agency to inform policy makers and business interests about the gap between what it takes to design, build and maintain a system that efficiently moves people throughout the state and the resources available to do so.

### Funding the State's Transportation System

Arizona's transportation system is primarily funded by the Arizona Highway User Revenue Fund through fuel taxes and vehicle registration fees, grants from the Federal Highway Administration through the Federal Aid Highway Program and regional transportation funding initiatives through sales taxes in Maricopa and Pima counties. Regional funding is dedicated to transportation projects in the regions from which the tax is collected.

The state's long-range transportation planning process identifies the investment options to preserve and enhance the state transportation infrastructure to meet anticipated transportation needs. Although transportation revenues over the next 25 years are estimated to be \$26 billion, anticipated needs during that time period are estimated to be \$89 billion. Accordingly, the challenge is to develop innovative ways, such as public-private partnership, to keep the state's transportation infrastructure in optimal condition. Revenue sources will need to be identified to accommodate further growth in Arizona's transportation system.

### Supporting the Growth of the State's Economy

ADOT strives to create a reliable and accessible transportation system that efficiently moves people and goods throughout the state.

Arizona has been identified as having one of ten "megapolitan" regions of the United States in which two out of every three Americans are expected to live in the next 40 years. Among the nation's "megapolitan" regions is the Arizona Sun Corridor, which stretches from Santa Cruz County to central Yavapai County. Numerous organizations have recognized the emergence of the Arizona Sun Corridor and the challenges it presents.



A shared vision of a quality of life in 2050 based upon a strong economy was the foundation of the transportation planning vision called Building a Quality Arizona, adopted by the State Transportation Board in January 2010. Arizona projects a population of nearly 15 million people by 2050 and identified that at least half the transportation system that Arizona will need in 2050 has yet to be built. As this population growth occurs, adding vehicles to an existing road network will certainly reduce travel speed, thereby exacerbating the state's existing traffic congestion for Arizona businesses, residents and visitors.

The opportunity to shape our economic and population growth is possible through wise transportation investment decisions made through a governance and financial structure that supports business development and jobs in Arizona.

Freight movement in Arizona is expected to double by 2030 with increases of 70 percent in tons moved by truck and 100 percent in tons moved by rail. Currently, 85 percent of freight moved in Arizona travels by truck, with 75 percent of that freight using Arizona's transportation infrastructure as it passes through our state en route to destinations in other states. Pass through freight produces little economic value in Arizona and represents lost opportunity for business development and job creation in the industrial, manufacturing and transportation logistics industries.

A strong transportation infrastructure ranks number one on a list of priorities for locating industrial development. Interviews with shippers conducted for the Arizona Multimodal Freight Analysis Study identified traffic congestion, lack of adequate highway infrastructure and the lack of a cost-effective rail shipping option as being weak links in Arizona's transportation system. Transportation and logistics industries result in some of the highest ancillary job development with one truck transportation job creating 2.2 others, one rail transportation job creating 3.14 others and one air transportation job creating 3.61 others.

ADOT has been engaged in several efforts to study transportation investment options and maximize economic growth potential through the existing transportation system. These efforts include long-range transportation planning, international trade initiatives and border crossing improvements, multi-state trade corridor planning, CANAMEX corridor planning, railroad corridor planning and studying possibilities for local and regional freight logistics centers with planning partners in Arizona.

### Preserving Infrastructure Investment

The costs of preserving Arizona's existing transportation infrastructure are significant. Segments of bridge and highway infrastructure in Arizona are approaching the end of their lifecycle, requiring replacement or significant rehabilitation, which will require the shift from funding highway expansion to preservation and modernization. Adopting a "fix it first" approach to



infrastructure is the most cost-effective strategy to preserve taxpayers' investment in the existing transportation system and it will optimize the use of limited transportation funding resources.

ADOT preservation and highway maintenance activities include bridge and pavement replacement and rehabilitation, roadway and shoulder pavement preservation, roadway signage and striping, guardrail and fence repairs, emergency response and snow removal. ADOT provides funding for public airports to preserve runways, taxiways and other airport infrastructure. Foregoing airport infrastructure improvements such as repaving taxiways and runways and removing obstructions also threatens business and economic development opportunities that rely upon the safety and integrity of Arizona's airport network.

### Improving Safety

The causes of crashes are primarily attributed to human behavior along with roadway, vehicle and environmental conditions. Besides ensuring roads and vehicles are in safe condition, driver behaviors (i.e., speeding, reckless driving, and alcohol or drug impairment) also must be addressed. Maintaining highway safety is our first priority. These activities include emergency response, snow and ice removal from roadways, emergency pavement repair, replacement of degraded highway signing and striping, vegetation control and compliance with environmental regulations. ADOT enforcement officers ensure that commercial vehicles comply with size, weight and safety requirements at the state's ports of entry and through mobile enforcement operations.

All areas of ADOT are engaged in the effort to keep Arizona's roads safe. Every day, employees ensure the transportation system provides a safe and reliable way for people to travel our state. Arizona has experienced a decline in traffic fatalities, in part, due to legislation and actions taken by diverse transportation, law enforcement and safety organizations to implement enforcement, emergency response, engineering and educational initiatives. The Arizona Strategic Highway Safety Plan identified six safety emphasis areas and has fostered coordination to develop clearly defined safety goals, performance measures and essential implementation steps to make progress in reducing the number of fatalities. ADOT has developed a highway safety improvement program to conduct safety assessments, implemented traffic engineering strategies and improved the data collection of crash records.

### Sustaining Quality Customer Service and Enhancing Revenue Collection

Providing customer service at levels deemed acceptable to the public becomes more challenging as ADOT is forced to operate with less funding. Nonetheless, ADOT will continue to develop strategies to improve the efficiency of internal operations and service delivery processes as well as to ensure its responsiveness to Arizona residents throughout the state. Transportation service priorities



include: increasing the ability for customers to effectively receive Motor Vehicle Division services, enhancing customer service and revenue collection systems, maintaining the condition of highways, minimizing work zone delays and managing traffic flow.

Operational improvements at the state’s ports of entry and mobile enforcement details will ensure commercial vehicles and their drivers that travel Arizona roadways are safely equipped to do so. Revenue audits, registration compliance and enforcement efforts also will support the recovery of costs associated with the use of Arizona’s transportation infrastructure. Improved internal operations and performance capabilities will enhance transportation revenue collection to provide funding dedicated to preserve and improve transportation infrastructure in Arizona.

## FUNDING AND FTE SUMMARY – FY 2013

	FUND	FTE
General Fund	\$ 50,500	2.0
Highway Fund	326,163,600	4,220.0
Other Appropriated Funds	33,508,000	326.0
Non-Appropriated Funds	2,847,256,000	68.0
Federal Funds	750,000,000	0.0
<b>Program Total</b>	<b>\$ 3,956,978,100</b>	<b>4,616.0</b>

### RESOURCE ASSUMPTIONS \*

Description	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
FTEs	4,616.0	4,616.0	4,616.0	4,616.0	4,616.0
Highway Fund	327,007,800	330,000,000	333,000,000	336,000,000	340,000,000
Other Appropriated Fund	33,508,000	34,500,000	34,500,000	35,000,000	35,000,000
Non-Appropriated Fund	2,847,256,000	2,850,000,000	2,850,000,000	2,850,000,000	2,850,000,000
Federal Fund / Grants	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000
General Fund	50,500	51,000	51,000	51,000	51,000
<b>TOTAL FUNDS</b>	<b>3,957,822,300</b>	<b>3,964,551,000</b>	<b>3,967,551,000</b>	<b>3,971,051,000</b>	<b>3,975,051,000</b>

\*Estimates



## Agency Summary

### DEPARTMENT OF TRANSPORTATION

John Halikowski, Director  
Phone: (602) 712-7227  
A.R.S. Title 28

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
➤ ADMINISTRATION	85,750.7	88,400.8	83,200.8
➤ INTERMODAL TRANSPORTATION	2,501,359.5	3,023,205.2	3,029,249.4
➤ MOTOR VEHICLE	97,789.3	95,372.1	95,372.1
<b>Agency Total:</b>	<b>2,684,899.5</b>	<b>3,206,978.1</b>	<b>3,207,822.3</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	50.9	50.5	50.5
Other Appropriated Funds	350,928.0	359,671.6	360,515.8
Other Non Appropriated Funds	2,333,920.6	2,847,256.0	2,847,256.0
<b>Total Funding</b>	<b>2,684,899.5</b>	<b>3,206,978.1</b>	<b>3,207,822.3</b>
<b>FTE Positions</b>	<b>4,368.0</b>	<b>4,616.0</b>	<b>4,616.0</b>

**Program Summary**

ADMINISTRATION

John Halikowski, Director  
 Phone: (602) 712-7227  
 A.R.S. Title 28

**This Program Contains the following Subprograms:**

- ▶ Director's Office / Transportation Board
- ▶ Transportation Support Services
- ▶ Arizona Highways Magazine

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	79,002.7	81,611.3	76,411.3
Other Non Appropriated Funds	6,748.0	6,789.5	6,789.5
<b>Total Funding</b>	<b>85,750.7</b>	<b>88,400.8</b>	<b>83,200.8</b>
<b>FTE Positions</b>	<b>540.0</b>	<b>554.0</b>	<b>554.0</b>

**Subprogram Summary**

DIRECTOR'S OFFICE / TRANSPORTATION BOARD

John Bogert, Deputy Director of Operations  
 Phone: (602) 712-7228  
 A.R.S. Title 28

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	923.6	1,260.1	1,260.1
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>923.6</b>	<b>1,260.1</b>	<b>1,260.1</b>
<b>FTE Positions</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>

- ◆ **Goal 1** To increase the quality, timeliness and cost effectiveness of our products and services.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Highway User Revenue Fund revenue forecast range (percent)	0.0	+2.0/-1.0	-0.5	+2.0/-1.0	+2.0/-1.0
Regional Area Revolving Fund revenue forecast range (percent)	2.7	+2.0/-1.0	0.8	+2.0/-1.0	+2.0/-1.0
Administrative expenses as percentage of operating budget	.6	1.0	0.6	1.0	1.0

- ◆ **Goal 2** To develop a high performing and successful workforce.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Agency turnover rate (percentage)	5.6	10.0	12.0	10.0	10.0

**Subprogram Summary**

TRANSPORTATION SUPPORT SERVICES

John Bogert, Deputy Director of Operations  
 Phone: (602) 712-7228  
 A.R.S. Title 28

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	78,079.1	80,351.2	75,151.2
Other Non Appropriated Funds	2,062.1	2,008.7	2,008.7
<b>Total Funding</b>	<b>80,141.2</b>	<b>82,359.9</b>	<b>77,159.9</b>
<b>FTE Positions</b>	<b>511.0</b>	<b>525.0</b>	<b>525.0</b>

**Subprogram Summary**

ARIZONA HIGHWAYS MAGAZINE

Win Holden, Publisher  
 Phone: (602) 712-2023  
 A.R.S. §§ 28-1881 to 28-1884

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	4,685.9	4,780.8	4,780.8
<b>Total Funding</b>	<b>4,685.9</b>	<b>4,780.8</b>	<b>4,780.8</b>
<b>FTE Positions</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>

◆ **Goal 1** To remain financially self-sufficient while promoting travel and tourism to and through the state of Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Average paid subscriptions	124,914	115,998	117,000	115,000	115,000
Average monthly newsstand sales	12,045	10,750	12,000	10,000	10,000

**Program Summary**

INTERMODAL TRANSPORTATION

Jennifer Toth, State Engineer  
 Phone: (602) 712-7391  
 A.R.S. § 28-104

**This Program Contains the following Subprograms:**

- ▶ Maintenance
- ▶ Construction
- ▶ Intermodal Transportation Planning
- ▶ Vehicles and Heavy Equipment

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	50.9	50.5	50.5
Other Appropriated Funds	178,550.0	189,292.4	195,336.6
Other Non Appropriated Funds	2,322,758.6	2,833,862.3	2,833,862.3
<b>Total Funding</b>	<b>2,501,359.5</b>	<b>3,023,205.2</b>	<b>3,029,249.4</b>
<b>FTE Positions</b>	<b>2,452.0</b>	<b>2,619.0</b>	<b>2,619.0</b>

**Subprogram Summary**

MAINTENANCE

Jennifer Toth, State Engineer  
 Phone: (602) 712-7391  
 A.R.S. § 28-104

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	125,143.8	125,151.2	131,195.4
Other Non Appropriated Funds	11,610.6	11,596.0	11,596.0
<b>Total Funding</b>	<b>136,754.4</b>	<b>136,747.2</b>	<b>142,791.4</b>
<b>FTE Positions</b>	<b>900.0</b>	<b>932.0</b>	<b>932.0</b>

◆ **Goal 1** To improve the movement of people and products throughout Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Total maintenance lane miles	28,985	29,273	28,823	28,960	29,060

**Explanation:** Maintenance lane miles include passing lanes, shoulders, ramps, etc.

◆ **Goal 2** To increase the quality, timeliness and cost effectiveness of our products and services.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of highway system with pavement smoothness rating <171	96.2	95	96	95	95

**Explanation:** Based on International Roughness Index

**Subprogram Summary**

**CONSTRUCTION**

Jennifer Toth, State Engineer  
 Phone: (602) 712-7391  
 A.R.S. § 28-104

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	36,400.7	33,529.4	33,529.4
Other Non Appropriated Funds	2,301,992.0	2,809,493.2	2,809,493.2
<b>Total Funding</b>	<b>2,338,392.7</b>	<b>2,843,022.6</b>	<b>2,843,022.6</b>
<b>FTE Positions</b>	<b>1,245.0</b>	<b>1,375.0</b>	<b>1,375.0</b>

◆ **Goal 1** To enhance the movement of people and products throughout Arizona.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Percent of dollars awarded vs. planned	100	100	100	100	100
Total travel lane miles	21,345	21,532	21,155	21,200	21,250
Percent of highway construction projects completed on schedule	95.4	95	95	95	95

**Subprogram Summary**

**INTERMODAL TRANSPORTATION PLANNING**

Scott Omer, Division Director  
 Phone: (602) 712-6790  
 A.R.S. § 28-104

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	50.9	50.5	50.5
Other Appropriated Funds	686.8	3,909.6	3,909.6
Other Non Appropriated Funds	9,156.0	12,773.1	12,773.1
<b>Total Funding</b>	<b>9,893.7</b>	<b>16,733.2</b>	<b>16,733.2</b>
<b>FTE Positions</b>	<b>82.0</b>	<b>87.0</b>	<b>87.0</b>

◆ **Goal 1** To provide transportation related data, in a timely manner, to ADOT users and its stakeholders.

◆ **Goal 2** To manage Research and Product Evaluation Programs.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Percent of research needs assessments completed	100	100	100	100	100

◆ **Goal 3** To develop and implement a Public Transportation Plan through a combination of federal and local resources.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Percent of available funds allocated for project administration	99	99	99	99	99

◆ **Goal 4** To increase ridership level of rural transit

◆ **Goal 5** To establish and provide training opportunities to sub- recipients of four different FTA grant programs in rural Arizona by 10% each year.

◆ **Goal 6** To increase the quality, timeliness and cost effectiveness of our aviation services.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent projects completed on schedule	98	95	95	95	95

**Subprogram Summary**

VEHICLES AND HEAVY EQUIPMENT

John H. Nichols, Division Director

Phone: (602) 712-7795

A.R.S. § 28-7006

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	16,318.7	26,702.2	26,702.2
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>16,318.7</b>	<b>26,702.2</b>	<b>26,702.2</b>
<b>FTE Positions</b>	<b>225.0</b>	<b>225.0</b>	<b>225.0</b>



**Program Summary**

MOTOR VEHICLE

Stacey K. Stanton, Division Director  
 Phone: (602) 712-8152  
 A.R.S. Title 28

**This Program Contains the following Subprograms:**

- ▶ Customer Services
- ▶ Motor Vehicle Enforcement Services

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	93,375.4	88,767.9	88,767.9
Other Non Appropriated Funds	4,414.0	6,604.2	6,604.2
<b>Total Funding</b>	<b>97,789.3</b>	<b>95,372.1</b>	<b>95,372.1</b>
<b>FTE Positions</b>	<b>1,376.0</b>	<b>1,443.0</b>	<b>1,443.0</b>

**Subprogram Summary**

CUSTOMER SERVICES

Stacey K. Stanton, Division Director  
 Phone: (602) 712-8152  
 A.R.S. Title 28

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	64,349.6	64,472.8	64,472.8
Other Non Appropriated Funds	2,846.2	3,326.8	3,326.8
<b>Total Funding</b>	<b>67,195.7</b>	<b>67,799.6</b>	<b>67,799.6</b>
<b>FTE Positions</b>	<b>1,005.0</b>	<b>1,054.0</b>	<b>1,054.0</b>

◆ **Goal 1** To improve customer service.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of all vehicle registration renewals completed through alternate methods	82.4	80.4	82.9	82.5	82.5
Average Level II telephone wait time (minutes)	31.9	23.4	22.3	23.4	23.4
Average customer visit time in MVD field offices	28.8	30.0	30.8	30.0	30.0
Percent of office customers rating service as good or excellent	86.0	85	60	85	85

◆ **Goal 2** To increase the use of electronic service delivery.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Total Internet transactions and activities (in thousands)	8,130	8,120	8,477	8,420	8,500

**Subprogram Summary**

**MOTOR VEHICLE ENFORCEMENT SERVICES**

Terry Conner, Division Director  
 Phone: (602) 712-7328  
 A.R.S. Title 28

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	29,025.8	24,295.1	24,295.1
Other Non Appropriated Funds	1,567.8	3,277.4	3,277.4
<b>Total Funding</b>	<b>30,593.6</b>	<b>27,572.5</b>	<b>27,572.5</b>
<b>FTE Positions</b>	<b>371.0</b>	<b>389.0</b>	<b>389.0</b>

◆ **Goal 1** To promote public safety and protection through regulation, licensing, and the administration of transportation laws.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of commercial vehicles processing activities at Fixed Ports of Entry (in thousands)	1,600	1,600	2,400	2,500	2,600

# State Treasurer

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



## VISION

The Office of the Arizona State Treasurer will be recognized as:

- A good and prudent manager of taxpayer dollars.
- A leader in financial transparency and clarity for the taxpayers of Arizona on how their tax dollars are invested and spent.
- A bridge with the private sector economy to encourage new and additional investment in Arizona's economy.

## MISSION

The Office of the Arizona State Treasurer protects taxpayer money by serving as the State's Banker and Chief Investment Officer; providing investment management, financial information, and fiduciary services.

## VALUES

Teamwork:	Achieving our greatest success by working together.
Leadership:	Motivating others through example.
Communication:	Informing the public on how we are managing taxpayer money.
Integrity:	Conducting ourselves with utmost ethics and honesty.
Service:	Prompt, courteous and professional service that exceeds expectations.
Excellence:	Providing exceptional value and improving processes.
Fun:	A work environment that attracts and retains employees.

## **STRATEGIC FOCUS**

1. Develop and deploy an Employee Capital Enhancement System.
2. Leverage technology changes to improve efficiency and effectiveness of the State of Arizona Treasurer's office and statewide government agencies.
3. Provide proper risk-adjusted returns on investments.
4. Deliver excellent customer service and financial transparency for taxpayers of Arizona.
5. Promote Economic Development in the State of Arizona

### **ITEM #1**

#### **Develop and deploy an Employee Capital Enhancement System.**

The Office of the Arizona State Treasurer has historically been a very small agency, and this fact adds to the importance of building and maintaining a strong group of employees. Specialized training and experience is vital to the successful operation of the office. This is why developing and maintaining a system to hire, train, and retain great employees is at the top of the strategic plan. As a large portion of the staff advances toward retirement age, systems must be in place that will create a dependable and evolving succession planning process.

Goals:

1. Support a culture of leadership and continuous learning

Objectives:

- a. Identify tools and processes to define the competencies that the Arizona State Treasurer must develop and retain to ensure that the agency has the right skills it needs to meet organizational goals.
  - b. The Office will conduct an annual training assessment to ensure there is training in place that is designed to improve organizational and individual performance.
  - c. Develop a leadership succession plan that includes a leadership gap analysis.
  - d. The Office will pilot the implementation of at least one knowledge management tool to support knowledge sharing across the organization.
2. Sustain a productive workforce and achieve results by recognizing performance in an environment in which all employees are encouraged to contribute.

Objectives:

- a. Develop, in conjunction with the new personnel reform policies, a performance management system and award program using a new performance evaluation method (PASE).
  - b. Implement at least one reward based program that will encourage employees to share ideas that further strengthen the agency's mission and vision.
3. Maximize employee talent through recruitment, outreach, hiring and retention.

Objectives:

- a. Conduct a formal review of the Office's orientation process and develop and implement a plan to streamline and improve employee on-boarding.
  - b. Review the classification and qualification standards for mission critical positions within the office.
  - c. Provide ongoing Human Resources training to administration personnel to build experience and knowledge within the statewide HRIS system.
4. Monitor, evaluate and follow-up on results relating to the statewide personnel reform and the Office's management policies, practices, and programs.

Objectives:

- a. The office will work to develop an employee accountability system in line with the statewide HRIS personnel rules.
- b. The office will proactively engage external customers in the analysis of their workforce and identify weaknesses and address concerns.

## **ITEM #2**

### **Leverage technology changes to improve efficiency and effectiveness of The State of Arizona Treasurer's office and government agencies statewide.**

Technology has had an impact in the financial industry over the last several years and Arizona must position itself to take advantage of this change. The financial industry is moving away from any paper producing processes and making image and file transmission the standard practice. The Check Clearing for the 21<sup>st</sup> Century (Check 21 Act) was signed into law in October of 2003, and this enabled banks to handle more checks electronically, which should make check processing faster and more efficient.

Goals:

1. Complete development and implementation of a new financial operations system.

Objectives:

- a. Complete design of application modules by January 1, 2013.
  - b. Test and evaluate modules in real world test environment by February 1, 2013.
  - c. Implement transition to new operating system by July 1, 2013.
2. Facilitate the State of Arizona transition to electronic processing of financial revenue transactions.

Objectives:

- a. Implement a statewide image deposit process for all state agencies.
  - b. In cooperation with the Arizona Department of Administration, develop an electronic check collection system.
  - c. Facilitate the integration of these electronic processes into the Treasurer's new operating system.
3. Facilitate the integration of the new Treasurer's operating financial system with the planned statewide enterprise resource planning solution.

Objectives:

- a. Coordinate with state agencies to develop a paperless system to process financial data into both the statewide ERP system and the Treasurer's operational system with a single transaction.
- b. Develop synergies with financial partners to incorporate online report access capability.
- c. Increase security and fraud controls on financial transactions.

### **ITEM #3**

#### **Provide proper risk-adjusted returns on investments.**

The investment environment is ever changing with new regulations, products and ideas being continually introduced. The challenge for the Treasurer's office is to navigate through these changes and continue to provide proper risk adjusted returns across the three investment mandates given to the office. Those mandates include: the State Land Endowment; state agency funds, including the general fund; and voluntary local government deposits.

Goals:

1. Provide optimal risk-adjusted returns for the Arizona Land Endowment funds with a goal of increasing returns above inflation and required distributions.

Objectives:

- a. Conduct an asset allocation study every 3 to 5 years to ensure the assets of the Endowment are invested in asset classes that provide the most optimal returns given the constraints of the Arizona Constitution and state law.
  - b. Implement recommendations of asset allocation studies after proper due diligence, research and evaluation by staff and the Board of Investment.
  - c. Determine if internal management staff can implement new asset classes or if external management is required.
  - d. Provide proper monitoring of performance of new asset classes and investment management
2. Modify the current distribution formula for Endowment Beneficiaries to provide consistent, reliable funding annually.

Objectives:

- a. Ask the Arizona Legislature to refer a measure to the ballot in 2012 so voters can approve necessary changes.
  - b. Educate beneficiaries and stakeholders on the reasons for the changes and gain their support
  - c. Educate the public on the benefits of the change in distribution formula.
3. Provide proper liquidity for the state's cash flow needs while maximizing returns of idle cash.

Objectives:

- a. Ensure the management of these funds adheres to the principals of safety first, followed by liquidity and then yield.
  - b. Ensure that the State of Arizona has enough cash available each day to pay its bills through cash flow forecasting.
  - c. Invest surplus cash that meets the daily, monthly, and quarterly liquidity needs for the State of Arizona and provides the appropriate investment return.
  - d. Adopt and monitoring appropriate investment benchmarks for state's operating cash as it relates to safety and liquidity.
  - e. Provide risk-adjusted returns on an annual basis that are no less than 25 basis points below the benchmark's annual return.
4. Provide appropriate risk adjusted returns for longer term funding needs of state agencies.

Objectives:



- a. Ensure the management of these funds adheres to the principals of safety first, followed by liquidity and then yield.
- b. Adopt and monitoring appropriate investment benchmarks for state agencies longer term funds.
- c. Invest longer term funds in a safe manner that meets the monthly, quarterly and annual liquidity needs for various state agencies.
- d. Provide risk-adjusted returns on an annual basis that are no less than 25 basis points below the benchmark's annual return.

5. Offer as a continued service investment management services to local governments.

Objectives:

- a. Ensure the management of these funds adheres to the principals of safety first, followed by liquidity and then yield.
- b. Provide a mix of investment funds that meet the daily, monthly, and yearly investment needs for local governments across the state.
- c. Provide risk-adjusted returns on an annual basis that are no less than 25 basis points below the appropriate benchmark's annual return.
- d. Explore new investment services for local governments to meet changing regulatory and investment environments such as separately managed accounts or external management of funds.

6. Ensure the appropriate level of staffing and technology to ensure the safety of all investments.

Objectives:

- a. Evaluate operations on annual basis to ensure proper utilization and maximization of existing resources.
- b. Utilize services of existing vendor's resources for research and analysis to assist in monitoring investments.
- c. Ensure employees are up to date on training of resources to better utilize existing tools.
- d. Provide for periodic outside review by a national organization to examine current investment division structure to determine if resources are properly deployed.

**ITEM #4**

## **Deliver excellent customer service and financial transparency for taxpayers of Arizona.**

Customer service is an important part in every division of the State of Arizona Treasurer's office. Our employees deliver services to state agencies, municipal and county governments, distribution recipients, and taxpayers to the State of Arizona. Our Mission and Vision speaks directly to the importance of this strategic issue.

Goals:

1. Strengthen our customer service survey process to include all division touch points relating to customer service.

Objectives:

- a. Develop and complete a meaningful survey of customers on an annual basis that measures customer satisfaction with all touch points with the office.
  - b. Use survey to establish baseline and continual improvement annually.
2. Improve the Office's web page to provide more transparency of financial information.

Objectives:

- a. Ensure financial information created by the office is posted timely and in a manner easily understandable by the general public.
- b. Improve the graphical representation of AZCheckbook.
- c. Facilitate a one stop point for the public to access financial information of the State of Arizona.

## **ITEM #5**

### **Promote Economic Development in the State of Arizona**

The Treasurer of the State of Arizona is a statewide elected official that oversees tens of billions of dollars of transactions annually with an aggregate investment portfolio of \$11 billion. The Treasurer is in a unique position to leverage existing relationships with current investment partners and companies looking to expand or growth their operations in the state.

Goals:

1. Work closely with elected officials, private-sector leaders and economic associations to promote business friendly policies.

Objectives:

- a. Attract new business and grow existing businesses across the state.
  - b. Maintain good working relationships with the Governor, Commerce Authority, Chambers of Commerce, etc.
  - c. Visit Local Government Investment Pool clients on a regular basis to gain insight and perspective on what opportunities exist at the local level.
2. Communicate with key persons in the firms we invest with to promote growth opportunities for the state.

Objectives:

- a. Develop outreach plan to target investor relations contacts
- b. Research potential expansion opportunities of companies the state invests in.
- c. Conduct phone and in-person relationship building meetings as opportunities present themselves.

## Agency Summary

STATE TREASURER

Doug Ducey, State Treasurer  
 Phone: (602) 542-7800  
 A.R.S. § 41-171

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,115.1	1,115.1	1,205.1	1,205.1
Other Appropriated Funds	2,640.8	4,874.8	4,874.8	4,874.8
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>3,755.9</b>	<b>5,989.9</b>	<b>6,079.9</b>	<b>6,079.9</b>

FTE Positions	29.4	30.4	30.4	30.4
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- ◆ **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	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Customer satisfaction rating for State Agency depositors (scale 1-8).	7.74	7.10	7.86	7.10	7.10	7.10

- ◆ **Goal 2** To disburse funds as required by law in a manner that ensures accuracy and timeliness, while maintaining adequate internal controls and auditable records.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Customer satisfaction rating for State Agency banking customers (scale 1-8).	7.86	7.10	7.45	7.10	7.10	7.10
Customer satisfaction rating for distribution recipients (scale 1-8).	7.74	7.10	7.54	7.10	7.10	7.10
Percent of distributions sent successfully and accurately.	100	98	100	98	98	98
Percent of outgoing wires sent successfully and accurately.	99	99	99	99	99	99
Percent of distributions sent on time.	100	98	100	98	98	98
Percent of outgoing wires sent on time.	99	99	99	99	99	99

- ◆ **Goal 3** To operate, in real-time, an investment tracking portfolio management system that allows greater flexibility and enhances management as well as trade/position reporting.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of non-compliant trades.	0	3	0	3	3	3
Average days to correct non-compliant trades.	0	1	0	1	1	1

# Board of Regents

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding




# The Arizona Higher Education Enterprise

The Arizona University System  
Five-Year Strategic Plan  
**2014-2018**

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**EXECUTIVE SUMMARY**  
**ABOR Five-Year Strategic Plan**  
**2014-2018**



## **The Arizona Higher Education Enterprise**

In 2010, the Arizona Board of Regents asked the executive team (Council of Presidents) of the higher education enterprise to conduct an enterprise-wide realignment effort so that the enterprise and each of its units might enhance its overall performance and adaptability so as to provide for greater educational and research outcomes. As Arizona enters its second century and as it continues to grow and diversify its social, economic, technical and cultural challenges have also grown. At the same time, the funding and operating models of the past have been frequently ignored (student growth based funding, state support for core needs such as personnel, utilities, new facilities' operations, and other funding agreements such as decision packages, research infrastructure, and building renewal). The lack of certainty of public investment poses significant challenges to advancing the public university education and its ability to create direct and tangible impacts on Arizona's economy in service to the people of Arizona.

As a result and with the need for the University System to be even more effective and impactful going forward, a conceptual realignment was requested by the Board. The purpose of this realignment exercise was to provide a new framework for the "University System" that maximizes the unique strengths in each university's discovery, teaching, learning, and service missions while at the same time rewarding organizational adaptability, innovation and entrepreneurship in a high change environment.

### **What is the Arizona Higher Education Enterprise?**

Typically in the United States, clusters of public higher education institutions are designed to operate as administrative systems closely aligned with a state government. These systems of universities are usually organized around a group of institutions that each performs a range of teaching and research missions, often in a particular niche. Each university system operates as a simple administrative unit comprising multiple universities with different and discreet mission assignments.

As the Arizona University System has not operated as a classic system and as the world of 2010 is very different than the era in which the great university systems emerged (California, Maryland, North Carolina, New York) in the last 50 years or so, we have by historical setting and context emerged three highly adaptive, efficient and unique higher education institutions. In the case of Arizona, the forces of high speed growth, modest government investment, rapid social, cul-

tural and economic change, and the physical size and unique urban/rural character of Arizona have, when matched with its western spirit of free enterprise, driven the universities down the path of independence and variation. In this case, it is, in fact, the lack of a traditional system level design and the lack of the standard twentieth century administrative and hierarchical model that gives Arizona its greatest advantage at this moment in time.

Arizona's higher education enterprise, in the form of the University of Arizona, Arizona State University and Northern Arizona University, has tremendous capacity for unique and creative design, entrepreneurial behavior and highly efficient operations. As a result, this strategic realignment plan does not draw from the 1960 model of university systems but rather leap frogs that evolutionary stage and envisions the University as an enterprise manifesting itself through three unique semi-autonomous enterprise platforms. In this model each of Arizona's universities is assumed to be a differentiated and unique institution with a unique assignment and approach to education that helps the system as a whole to meet its goal. Through this model the Arizona Higher Education Enterprise, as governed by the Arizona Board of Regents, is designed for flexible adaptation for the future.

As the operating units of the Arizona Higher Education Enterprise, the three universities will work through unique mission assignments to meet the goals of the Arizona Board of Regents collectively. Enterprise-wide mission and goal attainment will be coordinated by the Enterprise Executive Committee (EEC) which is comprised of the four Presidents. In this mode, the EEC is empowered by the Board to make adjustments and changes in mission assignments so that the full set of objectives can be attained. The EEC will monitor and evaluate movement toward the full set of metrics outlined in the previous section and will adjust assignments, structures, and resources accordingly.

Furthermore, in the Enterprise, each President will have a dual assignment. First, to deliver their individual institution to full goal attainment and, second, to engage in overall enterprise goal attainment. Presidents will focus their energy on individual institutional goals as well as enterprise goals, and will work together in a cooperative manner to achieve enterprise-wide success in goal attainment. The Board is working on integrating the enterprise metrics into the Presidential performance and compensation plan.

### **Summary**

In the 2009 report entitled Vision 2020, the Arizona Board of Regents outlined the objective of raising Arizona to the national average of college graduates in the work force and moving Arizona to the status of a large scale center for academic research. This realignment plan outlines how both of these significant goals will be achieved in an era of more modest public investment. These achievements will be made possible through a series of dramatic realignments, including:

- Establishment of the Arizona higher education system as an enterprise model of operations wherein the enterprise:

Is measured, governed and invested in based on performance metrics.

The Arizona Board of Regents approved the 32 performance metrics and associated annual targets in June 2011

Is managed by presidents acting individually as university CEOs and together as an enterprise executive committee.

Is organized and operated without the constraints operating within the limits of the state of Arizona.

- The restructuring of academic programs, support units and curricular design so as to maximize excellence and success for students, while containing cost.
- Expansion of access to baccalaureate degrees through the establishment of new baccalaureate degree campuses, expanded community college access and expanded online access.
- Broadening admission standards for selected academic units and campuses so as to expand the number of students eligible to pursue baccalaureate degrees.
- Total restructuring of the state of Arizona investment model from the outdated enrollment growth model to a funding model built on performance indicators.
- The privatization (no public investment) of select, self-sustainable academic programs.

The expansion of the research enterprise to nearly \$2 billion per year, second only to California in the West, and movement of research impact indicators to the highest level of universities in the country.

- Reaffirmation of the commitment of outreach to the people of Arizona as exemplified by the Extension Service and similar programs that address the practical concerns of the state's businesses and residents.

In summary, these changes in direction and design represent the most significant realignment of higher education in Arizona since the founding of the territorial university in 1885.

## 2014-2018

The five- year strategic plan for the Arizona Board of Regents is intended to articulate five years of the Arizona Higher Education Enterprise plan. The long-term goals, objectives, and strategies reflect the priorities of the system's long-term plan.

The long-term strategy is divided into four key policy areas and includes specific performance outcomes and targets for each area, as well as strategies necessary for the plan to be successful by the year 2020.

### GOALS

1. **Educational Excellence**—quality degree production aimed at increasing the educational attainment of Arizonans
2. **Research Excellence**—national research prominence for Arizona University System with peer rankings of top American research universities
3. **Community Engagement & Workforce Development**— research, economic development, and community engagement used to strengthen the economy and improve quality of life in Arizona
4. **Productivity**—resources maximized to produce greater numbers of quality degrees without sacrificing quality

#### The *Vision*:

A top-performing state university system, nationally recognized for excellence in academic and research pursuits that support and stimulate a growing, vibrant economy and a high quality of life for Arizonans

#### The *Mission*:

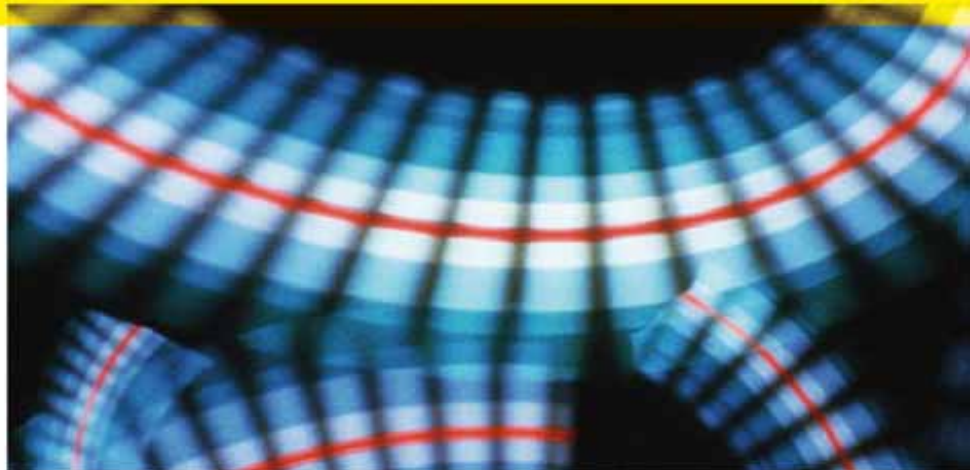
- To increase the educational attainment of Arizona citizens through enhanced access, by producing enough high-quality university degrees for the state to be nationally competitive by the year 2020
- To increase and enhance the prominence of the system's research enterprise so that it can contribute to the knowledge economy and improve the quality of life in Arizona
- To provide the educated workforce, through enhanced access needed to fill shortages and to stimulate demand for higher paying jobs in Arizona
- Provide accessible and affordable undergraduate education in a broader variety on institutional formats and in more locations throughout the state.



# 01 EDUCATIONAL EXCELLENCE

## GOAL ONE

“To be nationally competitive in the percentage of Arizona’s citizens with a high-quality bachelor’s degree by providing affordable access through a well-coordinated and aligned system.”



## KEY INDICATORS

In June 2011 the Board approved 12 key metrics for tracking progress on the Educational Excellence component (Goal One) of the Arizona Higher Education Enterprise plan.

The Educational Excellence component of the plan deals with increasing bachelor's degree production so that the state can reach higher educational attainment levels.

In June 2012 the Board approved a modification to Metric number 5 by replacing the data collection tool with an annual graduating senior survey measuring student satisfaction with teaching effectiveness and overall effectiveness.

## 2018 TARGETS

The table below outlines several of the key performance targets in the five-year plans.

By 2018 the plan calls for a 26% increase in the number of bachelor's degrees produced and 7 and 9 percentage point increase in retention and graduation rates over 2011

A key component of success in the plan deals with the ability of the system to attract greater numbers of community college transfer students. By 2018 the plan calls for a 28% increase in community college transfers over 2011.

Enrollment increases are necessary in order to attain the higher degree production targets and also to increase access for students in Arizona. By 2018 the plan calls for more than a 27% growth in enrollment at the universities.

### Key Indicators/Metrics

- Number of bachelor's degrees awarded
- Number of Master's degrees awarded
- Number of Arizona community college students who transfer to a university
- Number of Arizona community college transfer students awarded bachelor's degrees
- Educational Quality:
  - Measure of Teaching Effectiveness: Student Learning
  - Measure of Overall Effectiveness: Student Satisfaction
- Cost of attendance as a percentage of Arizona median family income
- 6-year graduation rate
- Freshman retention rate
- Undergraduate enrollment
- Total enrollment
- Four year graduation rate of Arizona community college transfers
- College going rate (from K-12)

**ARIZONA UNIVERSITY SYSTEM ENTERPRISE METRICS  
ARIZONA UNIVERSITY SYSTEM**

		<b>2010-11</b>	<b>2017-18</b>	<b>Change</b>	<b>% Change</b>
<b><u>Goal One: Educational Excellence &amp; Access</u></b>					
<b>1. Number of Bachelor's Degrees Awarded</b>					
	ASU	12,194	15,747	3,553	29.1%
	NAU	3,782	4,680	898	23.7%
	UA	6,195	7,500	1,305	21.1%
	<b>System Total</b>	<b>22,171</b>	<b>27,927</b>	<b>5,756</b>	<b>26.0%</b>
<b>2. Number of Master's Degrees Awarded</b>					
	ASU	4,150	5,031	881	21.2%
	NAU	1,707	1,500	-207	-12.1%
	UA	1,565	1,730	165	10.5%
	<b>System Total</b>	<b>7,422</b>	<b>8,261</b>	<b>839</b>	<b>11.3%</b>
<b>3. Arizona Community College Transfers</b>					
	ASU	5,775	6,461	686	11.9%
	NAU	2,376	3,400	1,024	43.1%
	UA	1,633	2,740	1,107	67.8%
	<b>System Total</b>	<b>9,784</b>	<b>12,601</b>	<b>2,817</b>	<b>28.8%</b>
<b>4. Number of Arizona Community College Transfer Students Awarded Bachelor's Degrees</b>					
	ASU	4,023	5,370	1,347	33.5%
	NAU	1,397	1,980	583	41.7%
	UA	1,051	1,830	779	74.1%
	<b>System Total</b>	<b>6,471</b>	<b>9,180</b>	<b>2,709</b>	<b>41.9%</b>
<b>5. Educational Quality</b>					
		Under development			
	<b>Measure of Teaching Effectiveness: Student Learning</b>				
	<b>Measure of Overall Effectiveness: Student Satisfaction</b>				
<b>6. Cost of Attendance as a Percentage of Arizona Median Family Income</b>					
	ASU	34.5%	36.6%	2.1%	6.1%
	NAU	28.7%	41.9%	13.2%	46.0%
	UA	33.0%	32.9%	-0.1%	-0.3%

**ARIZONA UNIVERSITY SYSTEM ENTERPRISE METRICS  
ARIZONA UNIVERSITY SYSTEM**

	<b>2010-11</b>	<b>2017-18</b>	<b>Change</b>	<b>% Change</b>
<b><u>Goal One: Educational Excellence &amp; Access</u></b> (continued)				
<b>7. 6-year Graduation Rate</b>				
ASU	58.7%	66.0%	7.3%	12.5%
NAU	49.2%	56.0%	6.8%	13.8%
UA	59.7%	62.8%	3.0%	5.0%
<b>System Rate</b>	<b>57.7%</b>	<b>62.9%</b>	<b>5.2%</b>	<b>9.0%</b>
<b>8. Freshman Retention Rate</b>				
ASU	84.0%	87.5%	3.5%	4.1%
NAU	71.5%	75.0%	3.5%	4.9%
UA	77.2%	86.3%	9.1%	11.7%
<b>System Rate</b>	<b>79.2%</b>	<b>84.6%</b>	<b>5.4%</b>	<b>6.8%</b>
<b>9. Undergraduate Enrollment (Official 21st Day)</b>				
ASU	56,562	74,481	17,919	31.7%
NAU	19,954	23,959	4,005	20.1%
UA	30,592	35,950	5,358	17.5%
<b>System Total</b>	<b>107,108</b>	<b>134,390</b>	<b>27,282</b>	<b>25.5%</b>
<b>10. Total Enrollment (Official 21st Day)</b>				
ASU	70,440	96,215	25,775	36.6%
NAU	24,925	28,745	3,820	15.3%
UA	39,086	46,160	7,074	18.1%
<b>System Total</b>	<b>134,451</b>	<b>171,120</b>	<b>36,669</b>	<b>27.3%</b>
<b>11. Four Year Graduation Rate of Arizona Community College Transfers</b>				
ASU	70.0%	73.5%	3.5%	5.0%
NAU	68.4%	69.4%	1.0%	1.5%
UA	65.3%	68.6%	3.3%	5.0%
<b>System Rate</b>	<b>68.7%</b>	<b>71.5%</b>	<b>2.9%</b>	<b>4.2%</b>
<b>12. College-going Rate (from K-12)</b>	<b>53.4%</b>	<b>58.5%</b>	<b>5.0%</b>	<b>9.4%</b>





# RESEARCH EXCELLENCE 02

GOAL TWO

“To increase the research capabilities and performance of the Arizona University System to a level of competitive prominence with peer rankings of top American research universities.”

## KEY INDICATORS

In June 2011 the Board approved 6 key metrics for tracking progress on the Research Excellence component (Goal OTwo) of the Arizona Higher Education Enterprise plan.

The table to the right illustrates the key indicators of progress in the 2020 Vision plan for Research Excellence.

The Board will include these metrics in the accountability system to track future progress.

The Research component of the plan deals with moving the Arizona university system to a level of national prominence with other research systems in the United States and with transferring that knowledge to benefit the people in Arizona.

The Board made two changes to the Research Excellence Metrics.

- ◆ Metric # 14—Number of doctoral degrees awarded was redefined from total doctoral degrees awarded to the number of research/scholarship (PhD) doctoral degrees awarded.

- ◆ A new goal was added to Goal #3—Number of professional practice doctoral degrees awarded.

## 2018 TARGETS

The table below outlines the main target for the research component of the plan. Tracking total research expenditures demonstrates the level of research activity in the system.

### Key Indicators/Metrics

- Total research expenditures
- Number of research/scholarship (PhD) doctoral degrees awarded
- Number of invention disclosures transacted
- Number of patents issued
- Intellectual property income
- National public research university ranking

**ARIZONA UNIVERSITY SYSTEM ENTERPRISE METRICS**  
**ARIZONA UNIVERSITY SYSTEM**

	<u>2010-11</u>	<u>2017-18</u>	<u>Change</u>	<u>% Change</u>
<b><u>Goal Two: Research Excellence</u></b>				
<b>13. Research &amp; Development Expenditures (in \$1,000s)</b>				
ASU	\$355,215	\$562,500	\$207,285	58.4%
NAU	\$30,785	\$40,614	\$9,829	31.9%
UA	\$610,565	\$1,056,000	\$445,435	73.0%
<b>System Total</b>	<b>\$996,565</b>	<b>\$1,659,114</b>	<b>\$662,549</b>	<b>66.5%</b>
<b>14. Number of PhD Doctoral Degrees Awarded</b>				
ASU	545			
NAU	95			
UA	813			
<b>System Total</b>	<b>1,453</b>			
<b>15. Number of Invention Disclosures Transacted</b>				
ASU	170	199	29	17.3%
NAU	12	27	15	125.0%
UA	150	202	52	34.7%
<b>System Total</b>	<b>332</b>	<b>428</b>	<b>96</b>	<b>29.0%</b>
<b>16. Number of Patents Issued</b>				
ASU	18	37	19	108.2%
NAU	0	3	3	
UA	19	19	0	0.0%
<b>System Total</b>	<b>37</b>	<b>59</b>	<b>22</b>	<b>60.8%</b>
<b>17. Intellectual Property Income (in \$1,000s)</b>				
ASU	\$2,306	\$10,149	\$7,843	340.1%
NAU	\$43	\$25	-\$18	-41.4%
UA	\$1,414	\$3,370	\$1,956	138.3%
<b>System Total</b>	<b>\$3,763</b>	<b>\$13,544</b>	<b>\$9,781</b>	<b>260.0%</b>



# WORKFORCE & COMMUNITY **03**

GOAL THREE

“To utilize research, economic development, community engagement, and service contributions of the universities to create and disseminate knowledge to strengthen Arizona's economy and improve Arizona's quality of life.”

## KEY INDICATORS

The table to the right illustrates the key indicators that will be used to measure future progress in the Community Engagement and Workforce Impact component of the 2020 Vision plan.

The measurement for Metric #19, Impact of Community Engagement Activities was developed during calendar year 2012 and will be presented to the Board for adoption in fiscal year 2013.

In addition the doctoral degree awarded metric in goal two was split and the number of professional practice degrees awarded is added to goal three.

## HIGH DEMAND FIELDS

Part of the future planning efforts of the Board will revolve around identifying key fields on which to focus efforts related to bolstering the Arizona economy. Preliminary work indicates that areas such as health care and STEM (science, technology, engineering, and math) deserve special attention.

## 2018 Targets

The Board identified performance targets for all but two of the key indicators, and will be approving the remaining targets in FY 13.

### Key Indicators/Metrics

- Impact of community engagement activities
- Total expenditures related to service and engagement activities
- Number of degrees awarded in high demand fields
- Diversity of graduates
- New companies started
- Milken Institute state science and technology ranking
- Adults with bachelor's degrees in Arizona
- Number of professional practice doctoral degrees awarded

<b>ARIZONA UNIVERSITY SYSTEM ENTERPRISE METRICS</b>				
<b>ARIZONA UNIVERSITY SYSTEM</b>				
	<b>2010-11</b>	<b>2017-18</b>	<b>Change</b>	<b>Change</b>
<b>Goal Three: Workforce and Community</b>				
<b>19. Impact of Community Engagement Activities</b>	Under development			
<b>20. Expenditures Related to Service and Engagement Activities (in \$1,000s)</b>				
ASU	\$43,874	\$53,921	\$10,047	22.9%
NAU	\$25,534	\$31,130	\$5,596	21.9%
UA	\$78,600	\$88,900	\$10,300	13.1%
<b>System Total</b>	<b>\$148,008</b>	<b>\$173,951</b>	<b>\$25,943</b>	<b>17.5%</b>
<b>21. Number of Degrees Awarded in High-Demand Fields</b>				
<b>STEM Undergraduate</b>				
ASU	1,833	2,516	683	37.2%
NAU	454	850	396	87.2%
UA	1,396	1,730	334	23.9%
<b>System Subtotal</b>	<b>3,683</b>	<b>5,096</b>	<b>1,413</b>	<b>38.4%</b>
<b>Education Undergraduate</b>				
ASU	979	1,335	356	36.4%
NAU	657	750	93	14.2%
UA	346	640	294	85.0%
<b>System Subtotal</b>	<b>1,982</b>	<b>2,725</b>	<b>743</b>	<b>37.5%</b>
<b>Health Professions &amp; Related Undergraduate</b>				
ASU	403	640	237	58.9%
NAU	344	1,050	706	205.2%
UA	309	680	371	120.1%
<b>System Subtotal</b>	<b>1,056</b>	<b>2,370</b>	<b>1,314</b>	<b>124.5%</b>
<b>STEM Graduate</b>				
ASU	868	1,267	399	45.9%
NAU	70	62	-8	-11.4%
UA	604	700	96	15.9%
<b>System Subtotal</b>	<b>1,542</b>	<b>2,029</b>	<b>487</b>	<b>31.6%</b>
<b>Education Graduate</b>				
ASU	1,096	1,528	432	39.4%
NAU	1,178	1,000	-178	-15.1%
UA	296	320	24	8.1%
<b>System Subtotal</b>	<b>2,570</b>	<b>2,848</b>	<b>278</b>	<b>10.8%</b>
<b>Health Professions &amp; Related Graduate</b>				
ASU	166	240	74	44.3%
NAU	134	175	41	30.6%
UA	359	440	81	22.6%
<b>System Subtotal</b>	<b>659</b>	<b>855</b>	<b>196</b>	<b>29.7%</b>
<b>System Total</b>	<b>11,492</b>	<b>15,922</b>	<b>4,430</b>	<b>38.6%</b>

ARIZONA UNIVERSITY SYSTEM ENTERPRISE METRICS					
ARIZONA UNIVERSITY SYSTEM					
		<u>2010-11</u>	<u>2017-18</u>	<u>Change</u>	<u>% Change</u>
<b>Goal Three: Workforce and Community</b> (continued)					
<b>22. Diversity of Graduates (Undergraduate Rate)</b>					
	ASU	26.3%	32.2%	5.9%	22.6%
	NAU	24.1%	28.8%	4.7%	19.7%
	UA	28.1%	34.0%	5.9%	21.0%
	<b>System Rate</b>	<b>26.4%</b>	<b>32.1%</b>	<b>5.7%</b>	<b>21.8%</b>
<b>Diversity of Graduates (Graduate Rate)</b>					
	ASU	17.8%	25.4%	7.6%	42.8%
	NAU	24.1%	25.7%	1.6%	6.7%
	UA	21.7%	26.9%	5.2%	24.0%
	<b>System Rate</b>	<b>20.1%</b>	<b>25.9%</b>	<b>5.8%</b>	<b>28.7%</b>
<b>23. New Companies Started</b>					
	ASU	10	5	-5	-45.4%
	NAU	0	2	2	
	UA	8	13	5	62.5%
	<b>System Total</b>	<b>18</b>	<b>20</b>	<b>2</b>	<b>13.7%</b>
<b>25. Adults With Bachelor's Degrees in Arizona</b>					
		26.1%	28.0%	1.9%	7.3%
<b>34. Number of non-PhD Doctoral Degrees Awarded</b>					
	ASU	321			
	NAU	70			
	UA	405			
	<b>System Total</b>	<b>796</b>			



# PRODUCTIVITY **04**

GOAL FOUR

"To maximize the use of existing resources so that the system can produce greater numbers of degrees and with greater efficiency of resources per degree without sacrificing quality."



## KEY INDICATORS

The table to the right illustrates the key indicators of progress in the 2020 Vision plan for the Productivity component.

The first two indicators are based on best practice as utilized in the Delta Cost Project, a national project to examine productivity related to the production of bachelor's degrees.

The second indicator is an index, also based on national best practice methodology, to be used as part of the Board's efforts to evaluate the financial strength of each university.

Online degrees represent a significant growth strategy for the enterprise.

Tracking university graduates who stay in Arizona helps illustrate the economic contribution university graduates make to the state.

### Key Indicators/Metrics

- Number of bachelor's degrees awarded per 100 FTE students
- Education and related expenses per degree
- Composite financial index (CFI)
- Tuition at Average of peer institutions
- Online degrees and certificates
- Employment of graduates who stay in Arizona
- College, Online, and other enrollment

ARIZONA UNIVERSITY SYSTEM ENTERPRISE METRICS				
ARIZONA UNIVERSITY SYSTEM				
	2010-11	2017-18	Change	% Change
<b>Goal Four: Productivity</b>				
<b>26. Number of Bachelor's Degrees Awarded per 100 FTE Students</b>				
ASU	21.4	21.2	-0.2	-0.9%
NAU	19.7	20.1	0.4	2.1%
UA	20.4	21.1	0.7	3.3%
<b>System Rate</b>	<b>20.8</b>	<b>21.0</b>	<b>0.2</b>	<b>0.9%</b>
<b>27. Comprehensive Financial Index (CFI)</b>				
ASU	2.7	no annual target or system target		
NAU	4.2	no annual target or system target		
UA	2.7	no annual target or system target		
<b>28. Tuition at Average of Peer Institutions</b>				
ASU	\$10,142	\$13,444	\$ 3,302	32.6%
NAU	\$8,487	\$11,795	\$ 3,308	39.0%
UA	\$9,830	\$13,309	\$ 3,479	35.4%
<b>28A. Resident Undergraduate Tuition</b>				
ASU	\$8,128			
NAU	\$7,667			
UA	\$8,237			
<b>29. Online Degrees</b>				
<b>Undergraduate</b>				
ASU	0	726	726	
NAU	289	720	431	149.1%
UA	7	170	163	2328.6%
<b>Undergraduate Subtotal</b>	<b>296</b>	<b>1,616</b>	<b>1,320</b>	<b>445.9%</b>
<b>Graduate</b>				
ASU	0	1,127	1,127	
NAU	331	490	159	48.0%
UA	218	490	272	124.8%
<b>Graduate Subtotal</b>	<b>549</b>	<b>2,107</b>	<b>1,558</b>	<b>283.7%</b>
<b>System Total</b>	<b>845</b>	<b>3,722</b>	<b>2,877</b>	<b>729.6%</b>
<b>29B. Online Certificates</b>				
Actual				
<b>Undergraduate</b>				
ASU	0	0	0	0.0%
NAU	44	44	0	0.0%
UA	0	0	0	0.0%
<b>Undergraduate Subtotal</b>	<b>44</b>	<b>44</b>	<b>0</b>	<b>0.0%</b>
<b>Graduate</b>				
ASU	0	0	0	0.0%
NAU	42	56	14	33.3%
UA	56	310	254	453.6%
<b>Graduate Subtotal</b>	<b>98</b>	<b>366</b>	<b>268</b>	<b>273.5%</b>
<b>System Total</b>	<b>142</b>	<b>410</b>	<b>268</b>	<b>188.7%</b>

<b>ARIZONA UNIVERSITY SYSTEM ENTERPRISE METRICS</b>					
<b>ARIZONA UNIVERSITY SYSTEM</b>					
		<b>2010-11</b>	<b>2017-18</b>	<b>Change</b>	<b>% Change</b>
<b>Goal Four: Productivity</b> (continued)					
<b>30. Employment of Graduates Who Stay in Arizona</b>					
	ASU	73.9%			
	NAU	72.1%			
	UA	62.0%			
	<b>System Total</b>	<b>70.5%</b>			
<b>31. Education and Related Expenses per Degree</b>					
		Projected			
	ASU	\$51,026	\$56,537	\$5,511	10.8%
	NAU	\$41,000	\$46,000	\$5,000	12.2%
	UA	\$70,816	\$72,483	\$1,667	2.4%
	<b>System Total (weighted average)</b>	<b>\$54,650</b>	<b>\$59,137</b>	<b>\$4,488</b>	<b>8.2%</b>
<b>32. College, Online &amp; Other Enrollment</b>					
		Actual			
<b>Undergraduate Headcount</b>					
	ASU	1,655	10,658	9,003	544.0%
	NAU	4,263	5,500	1,237	29.0%
	UA	565	3,511	2,946	521.4%
	<b>System Undergraduate Headcount</b>	<b>6,483</b>	<b>19,669</b>	<b>13,186</b>	<b>203.4%</b>
<b>Graduate Headcount</b>					
	ASU	1,368	6,642	5,274	385.5%
	NAU	3,412	3,280	-132	-3.9%
	UA	835	2,648	1,813	217.2%
	<b>System Graduate Headcount</b>	<b>5,615</b>	<b>12,570</b>	<b>6,955</b>	<b>123.9%</b>
	<b>System Headcount Total</b>	<b>12,098</b>	<b>32,239</b>	<b>20,141</b>	<b>327.3%</b>
<b>Undergraduate FTE</b>					
	ASU	1,278	9,908	8,630	675.3%
	NAU	3,150	3,941	791	25.1%
	UA	485	2,427	1,942	400.4%
	<b>System Undergraduate FTE</b>	<b>4,913</b>	<b>16,276</b>	<b>11,363</b>	<b>231.3%</b>
<b>Graduate FTE</b>					
	ASU	1,079	6,642	5,563	515.6%
	NAU	2,009	1,874	-135	-6.7%
	UA	581	1,675	1,094	188.3%
	<b>System Graduate FTE</b>	<b>3,669</b>	<b>10,191</b>	<b>6,522</b>	<b>177.8%</b>
	<b>System FTE Total</b>	<b>8,582</b>	<b>26,467</b>	<b>17,885</b>	<b>208.4%</b>

## Agency Summary

### BOARD OF REGENTS

Tom Anderes, President  
Phone: (602) 229-2500  
A.R.S. § 15-1621

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
➤ GOVERNANCE	86,473.6	93,526.9	90,019.6
➤ STUDENT ASSISTANCE	15,208.7	15,651.8	27,033.6
<b>Agency Total:</b>	<b>101,682.3</b>	<b>109,178.7</b>	<b>117,053.2</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	16,942.9	16,926.5	28,378.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	84,739.4	92,252.2	88,674.9
<b>Total Funding</b>	<b>101,682.3</b>	<b>109,178.7</b>	<b>117,053.2</b>
<b>FTE Positions</b>	<b>26.0</b>	<b>26.8</b>	<b>26.8</b>

**Program Summary**

**GOVERNANCE**

Glen Nelson, Sr. VP for Finance & Administration  
 Phone: (602) 229-2500  
 A.R.S. § 15-1621

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	2,420.7	2,350.6	2,350.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	84,052.9	91,176.3	87,669.0
<b>Total Funding</b>	<b>86,473.6</b>	<b>93,526.9</b>	<b>90,019.6</b>
<b>FTE Positions</b>	<b>25.7</b>	<b>26.5</b>	<b>26.5</b>

◆ **Goal 1** To raise the educational attainment level of Arizona to national competitiveness by 2020.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Bachelor's degrees produced annually in the system.	21,657	22,365	23,783	23,456	24,147

**Explanation:** \*Estimated number. Final number not yet available.

Number of Math, Science, Special Education Teacher (MSSE) Loan Forgiveness Program loans made.	56	*0	0	0	0
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**Explanation:** \*In spring 2011, program oversight fell under the jurisdiction of the AZ Commission for Postsecondary Education.

◆ **Goal 2** To allocate and monitor Proposition 301 TRIF funds

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of projects funded	29	26	17	19	15
Performance measures monitored	169	103	86	86	86

◆ **Goal 3** To communicate with universities and their constituents and stakeholders on Board policies and initiatives.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of media/individual/group briefings conducted	215	250	250	310	320
Number of stakeholder briefings conducted	200	240	240	300	310

◆ **Goal 4** To perform Internal Audits of the universities.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Audits scheduled	49	42	5	6	6
Audits performed on universities	36	42	4	6	6

**Explanation:** Numbers reflect systemwide activities

**Program Summary**

**STUDENT ASSISTANCE**

Gale Tebeau, Director Financial Policies  
 Phone: (602) 229-2522  
 A.R.S. §§ 15-1642, 15-1742, 15-1746

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	14,522.2	14,575.9	26,027.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	686.5	1,075.9	1,005.9
<b>Total Funding</b>	<b>15,208.7</b>	<b>15,651.8</b>	<b>27,033.6</b>
<b>FTE Positions</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>

◆ **Goal 1** To continue extending access to a university education by providing and administering various financial assistance programs.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Total number of Western Interstate Commission for Higher Education awards	190	178	186	180	203
Number of first year Western Interstate Commission for Higher Education awards	53	57	58	46	60
Number of first year WICHE applications meeting eligibility requirements	201	208	208	235	210
Number of first year WICHE applications processed	217	230	232	251	225
Percent of recipients returning to practice in Arizona	77	73	77	73	73
Number of Improving Teacher Quality (ITQ) grants awarded (depend on funding)	1	1	1	1	1
Number of students awarded financial aid through the Arizona Financial Aid Trust	6500	6500	6816	7000	7000

# ASU - Tempe

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



## **Five-Year Strategic Plan**

**Fiscal Years 2014–2018**

**October 1, 2012**



**ARIZONA STATE UNIVERSITY**  
**Five-Year Strategic Plan**  
**FY 2014-2018**

**Mission and Description**

As the only major research university in the heart of one of the most rapidly urbanizing metropolitan areas in the nation, a region marked by explosive population growth, demographic change, and environmental trends that threaten its sustainability, ASU must provide leadership for a region that lags behind comparable metropolitan areas in a number of educational, economic, and environmental indicators. ASU seeks to provide the best possible education for the broadest possible spectrum of qualified students, and although focused on its region, ASU has rapidly been recognized as a global presence.

Although a single and unified institution, ASU is spatially distributed across metropolitan Phoenix in four differentiated campuses of equally high aspiration. Each campus represents a planned clustering of related colleges and schools. A federation of strong entrepreneurial colleges, schools, departments, and interdisciplinary institutes and centers will increase academic excellence, foster creativity, and maximize the real-world impact of the problem-focused research university of the future.

President Crow has issued two parallel documents that outline the university's aspirations to become a world-class institution that pursues teaching, research, and creative excellence focused on the major challenges and questions of our time in such a way as to define a new gold standard of the twenty-first century university. *Arizona State University: A New American University* presents ASU's design imperatives as a definitive prototype of a new type of research university and gives in some detail a number of exemplary initiatives currently underway (see: [www.asu.edu/newamericanuniversity](http://www.asu.edu/newamericanuniversity)). The other document presents a statement of ASU's *Vision and University Goals 2002-2012*, briefly elaborating on the design aspirations for the New American University and then outlining the roles of the university's constituent campuses into the next decade (<http://president.asu.edu/about/asuvision>).

Whether providing the best possible education to the students of Arizona, generating economic growth through its visionary research enterprise, or improving the quality of life and quality of place for all Arizonans, ASU is committed to building a great university here in the American Southwest.

**Strategic Issues and Strategies**

The ABOR Strategic Plan, as defined by the *2020 Vision*, calls for a university system that will greatly improve the academic opportunities available to Arizonans. The vision set forth in ASU's *Vision and University Goals 2002-2012* are aligned neatly with the goals set forth by the Board of Regents. As the Board continues to refine goals to specific levels for each University, ASU is well-positioned to adapt our current trajectory to match those goals.

A key requirement to meeting any of the goals identified in ASU's original vision, or by the more recently pronounced *2020 Vision* described by ABOR, will be the availability of resources sufficient to meet the needs of a growing academic populace. Despite the constraints resulting from any continuing fiscal pressures in the State, the willingness to continue to provide sufficient resources is of paramount importance to the recovery and strong future economic development of the State. Insufficient levels of funding will inhibit the ability to achieve these goals.

**Strategic Issue #1** – Increase participation in postsecondary education and ultimately increase baccalaureate degree production.

**Strategic Issue #2** – Improve the quality of undergraduate and graduate education.

**Strategic Issue #3** – Recruit and retain faculty and staff in highly competitive national and local markets during a period of diminishing resources.

**Strategic Issue #4** – Expand research capabilities.

**Strategic Issue #5** – Enhance and improve local impact and social embeddedness.

**Strategic Issue #6** – Maintain quality and breadth of baccalaureate degree programs during a period of diminishing resources.

**TOTAL RESOURCE ASSUMPTIONS**

	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>
Full-time Equivalent (FTE)	126.0	336.0	356.0	376.0	342.0
General Funds	77,192.1	34,302.1	34,302.1	34,302.1	22,331.0
Other Appropriated Funds	0.0	39,600.0	42,600.0	30,500.0	32,100.0
Non-appropriated Funds	0.0	24,400.0	25,100.0	25,900.0	26,700.0
Federal Funds	21,969.6	23,300.0	24,700.0	26,200.0	27,800.0
<b>TOTAL FUNDS</b>	<b>99,161.7</b>	<b>121,602.1</b>	<b>126,702.1</b>	<b>116,902.1</b>	<b>108,931.0</b>

## STRATEGIC ISSUE #1

### Increase participation in postsecondary education and ultimately increase baccalaureate degree production

To broaden access to a quality education for all segments of the population, ASU must be positioned to accommodate the continuing growth in high school graduates, particularly minority populations and a growing pool of older students requiring new job skills. Never in the history of Arizona has a university education been more important. Our knowledge-based economy and an ever-increasing trend toward globalization are changing the skills needed for success in the labor force. Yet, rising costs, need for financial aid, and years of under-funding for higher education place the idea of broad access at risk. Tuition increases approved by the Board of Regents in recent years and future increases consistent with Board policy will help offset some of the increasing need for financial aid and improve affordability for a greater number of students.

ASU is strongly committed to providing access to college for all qualified students. Furtherance of this goal requires bold and sustained planning to provide for the projected increases in enrollments, primarily of undergraduate students. Continued investment will be necessary to provide the infrastructure for the enrollment growth envisioned at each of the campuses.

#### Strategies:

**Strategy 1:** Establish Colleges@ASU sites that will provide an opportunity for students to complete baccalaureate degrees at lower costs.

**Strategy 2:** Increase student diversity and the recruitment of academically eligible undergraduate students.

**Strategy 3:** Enhance partnerships with the community colleges to facilitate a more effective transfer process.

**Strategy 4:** Increase ASU Online program offerings to increase access for students seeking ASU degrees.

**Strategy 5:** Provide flexibility in course offerings and educational modalities.

**Strategy 6:** Make student financial assistance readily available for needy students and other targeted populations.

#### Resource Assumptions:

	FY14	FY15	FY16	FY17	FY18
Full-time Equivalent (FTE)	40.0	113.0	120.0	127.0	124.0
General Funds	28,482.5	11,326.4	11,326.4	11,326.4	8,932.2
Other Appropriated Funds	0.0	13,900.0	14,900.0	10,700.0	11,200.0
Non-appropriated Funds	0.0	8,540.0	8,785.0	9,065.0	9,345.0
Federal Funds	0.0	0.0	0.0	0.0	0.0
TOTAL FUNDS	28,482.5	33,766.4	35,011.4	31,091.4	29,477.2

**STRATEGIC ISSUE #2**

**Improve the quality of undergraduate and graduate education**

Undergraduate and graduate education are the cornerstones of the university enterprise. Students seek a high quality education that prepares them to be successful in their careers, to contribute to society, and to become lifelong learners. Today’s graduates must have strong communication, team building, and critical thinking skills as well as a global perspective to be successful.

A continued emphasis on providing a quality educational experience requires examining and evolving how the university designs and delivers its instructional programs to maximize the impact of education. Improvements can be accomplished through new pedagogical techniques, such as collaborative learning, service learning, and other learner-centered approaches; through the appropriate use of technology to enhance the classroom experience; through undergraduate education that focuses on the student as an individual; by providing seamless access to the services and resources required for learning and creative and intellectual inquiry; and by providing an environment that fosters student scholarship. ASU continues to conceptualize and create a wide range of new interdisciplinary schools, institutes, centers, and programs that will foster the development of new knowledge. In addition, ASU is enhancing learning environments that facilitate learner-centered delivery with improved utilization policies and room upgrades that incorporate new instructional technologies and flexible room formats. Adequate funding will provide the basic resources needed to accommodate the increased student population, enable ASU to hire the faculty necessary to meet its goals to establish national standing for colleges and schools in every field and fully achieve national comprehensive university status.

**Strategies:**

**Strategy 1:** Hire faculty needed to offer required courses.

**Strategy 2:** Implement electronic systems to provide students with information to assist their academic planning and progress.

**Strategy 3:** Increase participation in university bridge (Sun Devil Success Program) for underprepared students, which has been shown to dramatically increase retention for these students.

**Strategy 4:** Emphasize learning experiences that are outcomes-focused.

**Strategy 5:** Expand the use of alternative instructional methodologies and delivery methods.

**Strategy 6:** Implement college-based residential communities.

**Resource Assumptions:**

	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>
Full-time Equivalent (FTE)	24.0	87.0	93.0	99.0	92.0
General Funds	23,498.4	6,342.5	6,342.5	6,342.5	3,349.7
Other Appropriated Funds	0.0	11,900.0	12,800.0	9,200.0	9,600.0
Non-appropriated Funds	0.0	7,320.0	7,530.0	7,770.0	8,010.0
Federal Funds	0.0	0.0	0.0	0.0	0.0
<b>TOTAL FUNDS</b>	<b>23,498.4</b>	<b>25,562.5</b>	<b>26,672.5</b>	<b>23,312.5</b>	<b>20,959.7</b>

### STRATEGIC ISSUE #3

#### **Recruit and retain faculty and staff in highly competitive national and local markets during a period of diminishing resources**

Quality faculty are fundamental to a quality university education. Without the best faculty, it is not possible to provide the type of higher education that Arizona citizens deserve or to support the cultural and economic vitality that Arizona is striving to obtain. At ASU, hiring and retaining key faculty continues to be a concern. Like the other Arizona universities, ASU continues to struggle to consistently compete in the marketplace. With the funding provided by the state for salaries between FY05 and FY08, ASU made substantial progress in improving faculty salaries, enabling the University to recruit and retain highly recognized and respected academics in a variety of fields, but continues to fall below most of its peers in average faculty salaries. Staff salaries continue to fall behind comparable jobs for classified staff and service professionals. Turnover among classified staff continues to be a significant problem, a symptom of salaries that are not competitive with the local market.

#### **Strategies:**

**Strategy 1:** Close the gap on salaries as defined in the Faculty Peer Salary Analysis. State investment in faculty salaries will be critical to retain key faculty as well as enabling ASU to continue to attract highly recognized new faculty.

**Strategy 2:** Adopt and implement an ongoing commitment of salary improvement to address significant negative market position of staff (non-academic) salaries by targeting budgetary funds at a level anticipating salary movement of 3 - 4% per year with allocations tied directly to outcome driven performance measures.

**Strategy 3:** Develop and maintain the network and computational resources required by the research community. Maintaining competitiveness in research, faculty and student recruitment and retention requires secure access to: high capacity network connectivity; computational, data, and analytic resources required to support researchers; and the systems and application support staffing required by individual researchers, clusters, and research teams.

**Strategy 4:** Maintain program to improve salary and benefits for graduate research and teaching assistants. Other universities with whom ASU competes for top-quality graduate students have better salary and benefits packages. Excellent graduate students are essential for improving the quality of both graduate programs and the broader research enterprise.

#### **Resource Assumptions:**

	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>
Full-time Equivalent (FTE)	22.0	43.0	45.0	47.0	38.0
General Funds	5,743.9	5,743.9	5,743.9	5,743.9	3,349.7
Other Appropriated Funds	0.0	4,000.0	4,300.0	3,100.0	3,200.0
Non-appropriated Funds	0.0	2,440.0	2,510.0	2,590.0	2,670.0
Federal Funds	0.0	0.0	0.0	0.0	0.0
TOTAL FUNDS	5,743.9	12,183.9	12,553.9	11,433.9	9,219.7

## STRATEGIC ISSUE #4

### Expand research capabilities

ASU continues to vigorously pursue long-term initiatives in such areas as health and biosciences, advanced materials, security and defense systems, renewable energy and sustainability, learning sciences, informatics and communications. Over the five year period from 2005 to 2010, ASU was one of the fastest growing research enterprises, among U.S. universities with research portfolios exceeding \$200M in research expenditures [NSF Surveys]. ASU's goal is to grow its research expenditures to more than \$700M annually by 2020. To support our aspirations, ASU has defined seven strategies and four key focus areas that will allow us to continue our exceptional growth, serve the surrounding community and meet our 2020 research expenditure goal.

#### ***Strategies:***

**Strategy 1:** Differentiate ASU from the competition through the procurement of large projects (> \$10 million) in several key target areas; health and biosciences, urban sustainability, flexible systems, light-inspired energy, personalized learning, security and defense systems, and complex adaptive systems.

**Strategy 2:** Pursue a national research laboratory on the scale of \$50-\$100 million per year, in energy, aerospace, homeland security, or biosciences.

**Strategy 3:** Continue to promote and support ASU's \$50,000-\$750,000 projects from across the university through the improvement of the Office for Research and Sponsored Project Administration infrastructure, expansion of faculty opportunity search capabilities and providing assistance to the research deans for opportunity identification and development.

**Strategy 4:** Continue to expand research funding from foundations and individual donors by working closely with the Foundation to support its activities.

**Strategy 5:** Expand our collaborative research activities with industry to take advantage of their desire to shift basic and applied research requirements to university labs.

**Strategy 6:** Continue to pursue angel and venture investment in emerging companies. Activities will include developing a best-in-class intellectual property team and extension of Sky Song's entrepreneurship agenda.

**Strategy 7:** Provide sufficient research infrastructure.

#### ***Key Focus Area #1: Incorporate new approaches, including increased focus on interdisciplinary research***

In keeping with the spirit of the New American University vision, we will continue to expand our research capabilities through an interdisciplinary approach. Interdisciplinary research involves not only drawing upon the expertise across the University but also includes partners such as industry, academia and clinical entities. We are focusing our efforts in bringing together researchers from disparate disciplines to tackle complex questions central to the areas of strategic interest. The Biodesign Institute and its research centers exemplify this approach. We are working on new industry-university consortium models that bring together industry and University researchers working collaboratively to address national challenges and result in significant educational and economic impact. We are increasingly taking a global approach to solving local problems such as climate change. We are also creating the ecosystems for promotion of innovation and entrepreneurship activities.

#### ***Key Focus Area #2: Increase participation in multi-institutional grants and consortiums***

It is a strategic goal of ASU to be successful in securing several multi-institution, multi-disciplinary, multi-year, multi-million dollar (4M) research projects. A specific goal is to secure a national research laboratory or its

equivalent by 2015. To achieve this objective, we will cultivate, identify, target and develop 4M research opportunities leveraging ASU strengths in strategic research areas. Competitive teams and consortium will be constructed by bringing in complementary strengths through partnerships with National Labs, academia, industry and government partners to successfully secure these grants.

**Key Focus Area #3: Accelerate technology transfer initiatives**

As ASU's research enterprise has expanded over the past several years, AzTE has undertaken a variety of activities in furtherance of its mission to facilitate advancement of University technology into the marketplace.

- Closely align AzTE functions and support with established and new research initiatives
- Continue focus and support of existing initiatives and programs
- Increase connectivity with investors and industry through conferences and other outreach activities
- Form a seed stage venture capital fund led by ASU to accelerate the number of faculty related spin-outs
- Increase technology exposure through cross marketing activities with other universities
- Increase faculty interaction and outreach, including the establishment of an AzTE office on campus to foster faculty relationships and commercialization activities

**Key Focus Area #4: Improve infrastructure to support research**

Achieving our research expenditure goals will require additional research space. A recent Space Analysis found that an impending research space shortage threatens to limit the University’s ability to meet its research goals. The University must develop plans to repurpose existing space and construct new facilities. To develop these plans the University has undertaken an effort to survey unused and underused space, determine return on investment of allocated space and consistently revisit space allocation to respond to the dynamic research needs. Results will be shared with all stakeholders and plans to refurbish and repurpose will be developed to meet current and future needs. Funds for construction of new buildings will involve State, Federal and Philanthropic entities. The University will work with the State to clearly define research priorities and communicate current and future space requirements. Federal and Philanthropic funding opportunities will also be explored where appropriate to address the current and future space requirements.

The University’s information technology infrastructure is continuously challenged to keep pace with the rapid increase in externally funded research. To meet the demands of research growth and to plan for future growth, new tools must be designed and implemented across the Research Enterprise in a way that leverages existing IT infrastructure and increases functionality for the entire Research community. Implementation of an end-to-end research administration system will allow for immediate process improvements and continued research expenditure growth. The improvement of the information technology infrastructure will be executed concurrently with the reorganization of research administration personnel and business processes.

**Resource Assumptions:**

	FY14	FY15	FY16	FY17	FY18
Full-time Equivalent (FTE)	14.0	14.0	14.0	14.0	11.0
General Funds	3,948.3	3,948.3	3,948.3	3,948.3	3,349.7
Other Appropriated Funds	0.0	0.0	0.0	0.0	0.0
Non-appropriated Funds	0.0	0.0	0.0	0.0	0.0
Federal Funds	21,969.6	23,300.0	24,700.0	26,200.0	27,800.0
TOTAL FUNDS	25,917.9	27,248.3	28,648.3	30,148.3	31,149.7

## STRATEGIC ISSUE #5

### Enhance and improve local impact and social embeddedness

Development of ASU requires the university to be a fully engaged and integral part of the social, cultural, and economic fabric of the metropolitan area and the state of Arizona. ASU will demonstrate its social embeddedness to the extent that the faculty and staff are supporting and sustaining communities and solving problems through applied research, service, and partnerships in the P-12 education system, business and industry, government, and the community. ASU must assist in building a socially diverse and economically viable community, in developing civic and community leadership, and in addressing challenges such as poverty, growth, economic development and diversification, social infrastructure, and quality of life. Achieving a higher degree of social embeddedness requires a change in the internal culture of the university as well as a change in the role of the university in the eyes of the community. The university must continue to expect employees to contribute to community life through their expertise, intellect, and engagement. And the community must come to see the university as the key resource and place to get advice about community issues and solutions to community problems.

#### **Strategies:**

**Strategy 1:** Address the interests and workforce needs of the metropolitan area and state in times of diminishing economic resources.

**Strategy 2:** Enhance partnerships with the community and the state.

**Strategy 3:** Increase the number of qualified teachers to meet the K-12 educational demands of a growing population and provide opportunities for continuing development

#### **Resource Assumptions:**

	FY14	FY15	FY16	FY17	FY18
Full-time Equivalent (FTE)	0.0	0.0	0.0	0.0	0.0
General Funds	0.0	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0	0.0
Non-appropriated Funds	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0
TOTAL FUNDS	0.0	0.0	0.0	0.0	0.0



**STRATEGIC ISSUE #6**

**Maintain quality and breadth of baccalaureate degree programs during a period of diminishing resources**

Since the beginning of FY 2008, with the emergence of the fiscal crisis in Arizona and nationally, Arizona State University has seen a decrease in funding from the State of \$184 million or 37% of base funding, while at the same time, enrollment increased by 14%. In addressing the sudden and significant decline and the need to support expanded enrollment, the focus of resource reduction has been to protect to the greatest extent possible the educational mission of the university, and to reduce the student services and administrative functions rather than academic activities. Colleges and departments have been consolidated, eliminating duplicate administrative structures. A portion of the revenue was temporarily supported by stimulus funds in FY10 and FY11. Increases in tuition permanently fill a part of the lost revenue, but most of the reduction was taken through efficiency measures and reductions in cost.

Over the past year, the Arizona Board of Regents evaluated the funding per full-time equivalent student at each of the three Arizona universities, and has recommended that disparity funding be addressed. ASU requested and received \$12 million as the first phase of a 5 year core investment towards funding that disparity gap. This funding represents the first year of five that will allow comparable funding per student and address funding disadvantages for ASU students. ASU’s FY 2014 request includes Phase II of disparity funding.

In addition to addressing disparity funding and providing equitable competitive funding structures, the Board of Regents has endorsed a new funding model that calls for performance funding based on metrics and goals set for each of the universities. ASU metrics focus on degree completion, class enrollments, and research growth. Funding would be based on increases in each of these metrics following setting base year activity. ASU’s FY 2014 request includes \$22.3 million for performance funding based on its performance on the Board approved metrics in FY 2012.

**Strategies:**

**Strategy 1:** Provide equitable funding per student for ASU students over the next five fiscal years.

**Strategy 2:** Restructure funding mechanisms to fund performance based upon achieving specific metrics and deliverables.

**Resource Assumptions:**

	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>
Full-time Equivalent (FTE)	26.0	79.0	84.0	89.0	77.0
General Funds	15,519.0	6,941.0	6,941.0	6,941.0	3,349.7
Other Appropriated Funds	0.0	9,800.0	10,600.0	7,500.0	8,100.0
Non-appropriated Funds	0.0	6,100.0	6,275.0	6,475.0	6,675.0
Federal Funds	0.0	0.0	0.0	0.0	0.0
<b>TOTAL FUNDS</b>	<b>15,519.0</b>	<b>22,841.0</b>	<b>23,816.0</b>	<b>20,916.0</b>	<b>18,124.7</b>

## Agency Summary

ASU - TEMPE

Dr. Michael Crow, President  
 Phone: (480) 965-8972  
 A.R.S. § 15-1601

### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
➤ INSTRUCTION	576,589.6	616,207.4	644,943.2
➤ ORGANIZED RESEARCH	170,357.5	192,504.7	204,981.2
➤ PUBLIC SERVICE	44,808.0	42,681.9	43,878.1
➤ ACADEMIC SUPPORT	142,357.3	135,829.4	172,936.5
➤ STUDENT SERVICES	284,953.1	308,897.9	320,653.6
➤ INSTITUTIONAL SUPPORT	455,545.6	479,089.0	482,415.4
<b>Agency Total:</b>	<b>1,674,611.1</b>	<b>1,775,210.3</b>	<b>1,869,808.0</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	247,742.7	259,524.2	327,301.0
Other Appropriated Funds	425,560.9	452,685.0	452,685.0
Other Non Appropriated Funds	1,001,307.5	1,063,001.1	1,089,822.0
<b>Total Funding</b>	<b>1,674,611.1</b>	<b>1,775,210.3</b>	<b>1,869,808.0</b>
<b>FTE Positions</b>	<b>10,207.8</b>	<b>10,876.8</b>	<b>11,097.3</b>

**Program Summary**

INSTRUCTION

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	26,982.8
Other Appropriated Funds	405,953.9	428,574.6	428,574.6
Other Non Appropriated Funds	170,635.7	187,632.8	189,385.8
<b>Total Funding</b>	<b>576,589.6</b>	<b>616,207.4</b>	<b>644,943.2</b>
<b>FTE Positions</b>	<b>4,969.5</b>	<b>5,329.0</b>	<b>5,422.0</b>

◆ **Goal 1** To improve the quality of undergraduate education.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Average years taken by freshman students to complete a baccalaureate degree program	4.6	4.6	4.6	4.5	4.5
Percentage of undergraduate degree recipients participating in research related or capstone (case study) experience	92	92	90	91	92
Percent of graduating seniors who rate their overall university experience as good or excellent	94	95	93	94	94
Percent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	81	81	81	81	82
Number of Bachelors degrees granted	9,863	10,113	11,279	11,674	12,082

◆ **Goal 2** To enhance the number and diversity of the most highly qualified students entering Arizona State University and the Barrett Honors College.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Honors undergraduate headcount students	3,515	3,900	4,197	4,500	4,800
BHC degree recipients (i.e., with honors)	464	500	535	600	650
Courses offered for honors credit	2,613	2,800	2,800	3,000	3,200

◆ **Goal 3** To provide support services and courses that assist students in achieving academic success and planning programs of study within their chosen degree curricula.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of tutorials conducted by University Academic Success Programs	82,974	86,000	144,034	150,000	156,000
Number of participants in University Bridge program that supports academically at risk freshmen transitioning to college	1,054	1,100	490	1,000	1,040
Number of students enrolled in UNI Academic Success courses to transition successfully to college and achieve academic success	1,147	1,500	1,400	2,000	2,080
Major and Career Exploration (UNI and ASU 101) course sections for exploratory students	178	220	175	200	220

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of degree program course audits run by students and staff	1,108,749	1,300,000	3,117,360	3,600,000	4,320,000
Number of eAdvisor tracking audits run by students and staff	1,329,419	1,900,000	1,579,348	1,800,000	2,160,000

◆ **Goal 4** To provide enriched educational opportunities to students by expanding accessibility and delivery of courses.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Summer sessions headcount students	19,448	20,420	20,511	22,151	23,258
Internet course registrations during the fall semester (duplicated enrollments)	49,346	64,817	64,817	75,000	85,000
Internet course sections offered during the fall semester	1,082	1,625	1,625	1,975	2,500

◆ **Goal 5** To improve graduate education by enhancing programs central to the University's mission, promoting retention and graduation, and increasing the diversity of students.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Students enrolled in interdisciplinary degree programs	916	945	950	975	1,000
Masters degrees granted	3,561	3,584	3,486	3,573	3,662
Doctorate degrees granted	518	514	594	606	618
First professional degrees granted	201	208	217	221	226
Minority graduate enrollment as percentage of total enrollment	20.3	20.4	21.5	21.5	22.0

**Program Summary**

**ORGANIZED RESEARCH**

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	15,948.4	16,842.4	17,767.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	154,409.1	175,662.3	187,214.1
<b>Total Funding</b>	<b>170,357.5</b>	<b>192,504.7</b>	<b>204,981.2</b>
<b>FTE Positions</b>	<b>1,688.4</b>	<b>1,821.5</b>	<b>1,903.8</b>

◆ **Goal 1** To maintain and enhance the University's status as a major research institution.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Dollar value of proposals submitted (in millions)	1,237.8	1,366.5	1,156.3	1,499.1	1,618.0
External dollars received for research and creative activity (in millions of dollars)	232.8	260.7	259.1	329.2	354.2
Dollar value of total research expenditures (in millions)	0	0	368.8	378.5	402.8

**Explanation:** 2012 ACTUAL VALUE ESTIMATED

Dollar value of externally funded, non-research expenditures (in millions)	0	0	36.8	39.8	4.30
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◆ **Goal 2** To continue and improve University efforts to provide opportunities for undergraduate and graduate students to participate in research and creative activity.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Undergraduate students supported by sponsored funds	2,211	2,250	2,175	2,250	2,250

**Explanation:** REFLECTS TOTAL UNIVERSITY

Graduate students supported by sponsored funds	1,625	1,650	1,599	1,650	1,700
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**Explanation:** REFLECTS TOTAL UNIVERSITY

**Program Summary**

PUBLIC SERVICE

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	1,118.3	1,179.1	1,179.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	43,689.7	41,502.8	42,699.0
<b>Total Funding</b>	<b>44,808.0</b>	<b>42,681.9</b>	<b>43,878.1</b>
<b>FTE Positions</b>	<b>334.5</b>	<b>297.7</b>	<b>306.4</b>

- ◆ **Goal 1** To provide quality educational and informative television programs and improve services provided to the community, especially in rural areas.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Persons viewing KAET-TV on a weekly basis (in thousands)	1,632	1,680	1,229	1,232	1,293
Teachers served through educational support programming	67,015	60,684	60,623	69,025	72,476
Students served through educational support programming	1,273,285	1,066,244	1,065,146	1,311,475	1,377,044

- ◆ **Goal 2** To continue to stage excellent cultural and other nonathletic special events for various diverse constituents.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Persons attending University sponsored cultural events (in thousands)	450	474	505	498	508
Special events coordinated	130	140	147	140	150

**Program Summary**

ACADEMIC SUPPORT

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	59,827.6	59,721.0	96,577.2
Other Appropriated Funds	19,607.0	24,110.4	24,110.4
Other Non Appropriated Funds	62,922.7	51,998.0	52,248.9
<b>Total Funding</b>	<b>142,357.3</b>	<b>135,829.4</b>	<b>172,936.5</b>
<b>FTE Positions</b>	<b>918.6</b>	<b>722.3</b>	<b>737.7</b>

- ◆ **Goal 1** To maintain the number of books and periodical subscriptions owned by the university libraries, and increase access to these items.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Periodical subscriptions	50,906	52,000	53,524	54,500	55,000
Virtual/remote reference transactions	11,668	11,000	10,071	11,000	10,500
Visits to Libraries web site (in millions)	4,999,383	5,000,000	4,584,003	5,100,000	4,750,000
Online catalog use (pageviews)	5,974,556	6,000,000	5,249,720	5,500,000	5,250,000
Online databases use (searches)	9,656,725	9,700,000	12,564,542	13,000,000	13,000,000

- ◆ **Goal 2** To increase attendance at university art museums and provide quality art exhibitions to the public and for scholarly and educational purposes.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Annual attendance at university art collections	150,000	150,000	200,000	200,000	200,000
Annual attendees of lectures and special events	13,000	13,000	18,000	20,000	25,000

- ◆ **Goal 3** To employ, provide, and maintain sufficient reliable microcomputer, network, and server resources to support the academic needs of the University.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of mediated classrooms	361	374	381	390	395
Percentage of classrooms with mediation	100	100	100	100	100
Number of common computing site seats	591	541	551	551	541
Percentage of site equipment out dated (>4 years old)	82	45	27	18	5

**Program Summary**

STUDENT SERVICES

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	34,173.7	36,061.4	39,074.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	250,779.4	272,836.5	281,579.1
<b>Total Funding</b>	<b>284,953.1</b>	<b>308,897.9</b>	<b>320,653.6</b>
<b>FTE Positions</b>	<b>1,090.8</b>	<b>1,382.2</b>	<b>1,397.6</b>

◆ **Goal 1** To promote the emotional and physical well-being of students by providing quality health care services.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Students receiving health care at the Campus Health Service	40,866	41,600	42,936	43,000	43,500
Disabled students served	1,449	1,500	2,425	2,525	2,625

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Registered campus clubs and organizations	844	850	825	850	860
Student participation in advising services, workshops, career events, job fairs, on-campus interviews and special events offered by Career Services to assist students seeking employment and/or career guidance	56,074	57,000	62,900	64,800	66,750
Organizations recruiting on campus	1,554	1,600	1,628	1,700	1,800

◆ **Goal 3** To provide services that enhance the likelihood of students' academic success.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Students participating in orientation	8,276	9,000	8,390	8,500	8,750
Students living in first year residential communities	6,600	7,000	6,600	6,800	7,000
Students receiving financial assistance in an academic year	60,518	64,754	63,585	65,493	67,458

**Explanation:** REFLECTS TOTAL UNIVERSITY

Dollar volume for all financial assistance programs (dollars in thousands)	894,455	1,028,623	971,992	1,001,152	1,031,186
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**Explanation:** REFLECTS TOTAL UNIVERSITY

◆ **Goal 4** To provide opportunities for men and women by developing and sustaining programs which help student athletes achieve success, both academically and athletically.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Average GPA of student athletes (4.0 highest)	2.93	2.95	2.96	3.0	3.0



Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percent of student athletes graduating in six years based on NCAA Graduation Success Rate	76	78	80	80	81

**Program Summary**

INSTITUTIONAL SUPPORT

Melinda Gebel, Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	136,674.7	145,720.3	145,720.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	318,870.9	333,368.7	336,695.1
<b>Total Funding</b>	<b>455,545.6</b>	<b>479,089.0</b>	<b>482,415.4</b>
<b>FTE Positions</b>	<b>1,206.0</b>	<b>1,324.1</b>	<b>1,329.8</b>

- ◆ **Goal 1** To provide efficient and comprehensive human resources programs and services to the university community in areas such as employment, training, employee relations, and other human resource activities.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Accounting documents processed (in thousands)	1,609	1,650	1,608	1,610	1,650
Administration as a percentage of total cost	1.33	1.42	1.30	1.47	1.34
Job applications processed	67,511	70,500	68,134	71,561	73,707
Positions filled	1,842	2,060	1,448	1,491	1,536
Percent of agency staff turnover (classified staff only)	20.9	18.0	21.8	19.9	18.9

- ◆ **Goal 2** To provide customer-focused, high quality facilities and services to enhance a safe and secure environment in support of the University's mission.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Maintenance work order man-hours on buildings/ tunnels/structures	216,493	220,000	212,469	216,458	222,718
Number of faculty, staff, and students participating in fire and safety training classes	7,387	8,000	8,100	8,500	9,000
Annual Parking Permit Sales to students and staff	23,341	24,000	19,141	22,500	22,000
Community-based police assignments	326	330	315	345	350

- ◆ **Goal 3** To maintain support for all telecommunications systems throughout the University.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Centrally supported Ethernet connections*	122,500	120,000	115,099	110,000	110,000
<b>Explanation:</b> REFLECTS TOTAL UNIVERSITY					
Internet bandwidth available (in Gigabits)	11.5	11.5	11.5	13.5	17.0
Internet bandwidth burstable (in Gigabits)	15	15	15	17	17
Wireless hours (in millions)	33.5	38.3	35.8	38.6	42.0

**Program Summary**

**AUXILIARY PROGRAM**

Dr. Melinda Gebel, Director

Phone:

Not available

# ASU - Polytechnic

- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Agency Summary

ASU - POLYTECHNIC

Dr. Michael Crow, President  
Phone: (480) 965-8972  
A.R.S. § 15-1601

### Mission:

*To emphasize professional and technological programs based in the liberal arts and sciences and engage in intellectual inquiry focused on addressing societal needs by offering undergraduate and graduate programs primarily in professional and technological fields and in selected areas of the liberal arts and sciences; engaging in forms of scholarship involved with discovering, integrating, applying, and transmitting knowledge to address the conditions and concerns of society; and working with community partners in accomplishing all aspects of this mission.*

### Description:

Arizona State University at the Polytechnic campus serves over 11,000 students and the metropolitan area through baccalaureate and graduate degree programs as well as through applied research and service. All programs at ASU at the Polytechnic campus provide students with the knowledge and extensive technological competence to succeed in their chosen professions and further learning. ASU at the Polytechnic campus offers a campus environment that places students at the center, embraces diversity and interdisciplinary inquiry, and strives to integrate the academic and social lives of students. ASU at the Polytechnic campus offers programs with outcomes directly relevant to the needs of society and the community, emphasizing collaboration and partnership to foster the educational, economic, and cultural development of local communities, the metropolitan area, the state, and the nation.

### Agency Summary: (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
➤ INSTRUCTION	33,226.7	36,882.5	39,133.0
➤ ORGANIZED RESEARCH	7,215.7	6,859.2	7,171.9
➤ PUBLIC SERVICE	1,798.1	2,135.3	2,225.5
➤ ACADEMIC SUPPORT	9,862.0	10,047.2	15,651.7
➤ STUDENT SERVICES	4,927.1	6,271.1	6,473.3
➤ INSTITUTIONAL SUPPORT	32,145.8	40,987.7	41,203.5
<b>Agency Total:</b>	<b>89,175.4</b>	<b>103,183.0</b>	<b>111,858.9</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	19,076.8	20,927.5	28,926.8
Other Appropriated Funds	40,607.4	37,590.9	37,590.9
Other Non Appropriated Funds	29,491.2	44,664.6	45,341.2
<b>Total Funding</b>	<b>89,175.4</b>	<b>103,183.0</b>	<b>111,858.9</b>
<b>FTE Positions</b>	<b>539.2</b>	<b>620.0</b>	<b>636.5</b>

**Program Summary**

INSTRUCTION

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Mission:**

*To offer high quality academic degrees and general studies programs that prepare graduates for personal growth, fulfilling careers, and lifelong contributions to the quality of intellectual life in the community, state, region, and nation.*

**Description:**

Instruction is comprised of activities carried out during the academic year, summer sessions, and other periods outside the regular term and associated with degree credit and non-credit academic courses. This program also includes faculty departmental research and public service activities that are not separately budgeted and academic administration where instruction plays an important role, such as at the dean and department chair levels.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	2,178.0
Other Appropriated Funds	26,989.3	26,414.6	26,414.6
Other Non Appropriated Funds	6,237.4	10,467.9	10,540.4
<b>Total Funding</b>	<b>33,226.7</b>	<b>36,882.5</b>	<b>39,133.0</b>
<b>FTE Positions</b>	<b>348.5</b>	<b>418.4</b>	<b>426.1</b>

◆ **Goal 1** To improve undergraduate and graduate education.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of graduating students who rate their overall experience at ASU Polytechnic as good or excellent	92	93	93	93	94
Percent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	78	78	81	81	82
Number of degrees granted	1,357	1,387	1,003	1,036	1,070
Number of Bachelors degrees granted	1,103	1,131	809	837	867
Number of Masters degrees granted	246	248	194	199	204
Average number of years taken to graduate for student who began as freshmen	4.8	5.0	5.0	4.9	4.9
Fall semester enrollment (headcount)	9,752	10,000	10,521	11,164	12,025

◆ **Goal 2** To provide support services and courses that assist students in achieving academic success.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of graduating students who 'have done' or 'plan to do' a practicum, internship, co-op experience, or clinical assignment	63	63	54	54	55
Number of tutorials conducted by University Academic Success Programs	10,073	11,650	8,766	9,500	9,880

**Program Summary**

**ORGANIZED RESEARCH**

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Mission:**

*To foster pre-eminent scholarship and creative activity that serves the citizens of Arizona through the development, application, and transfer of new knowledge especially beneficial to Arizona.*

**Description:**

Organized Research includes research activities taking place within centers, divisions, bureaus, institutes and experiment stations formally approved by the Arizona Board of Regents. These activities are specifically created and organized to produce research, whether separately budgeted within the university or commissioned by an external agency, as with federal grants and contracts.

**Funding:**

	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	7,215.7	6,859.2	7,171.9
<b>Total Funding</b>	<b>7,215.7</b>	<b>6,859.2</b>	<b>7,171.9</b>
<b>FTE Positions</b>	<b>45.2</b>	<b>48.7</b>	<b>50.7</b>

- ◆ **Goal 1** To provide support mechanisms for ASU Polytechnic researchers in an effort to increase research and sponsored project activities.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Dollar value of sponsored project proposals submitted (in millions)	50.2	55.4	52.5	61.2	70.0
External dollars received for research and creative activity (in millions)	10.9	12.2	7.1	12.5	13.4
Dollar value of total research expenditures (in millions)	8.5	8.8	8.7	8.9	8.9

**Explanation:** 2012 ACTUAL VALUE ESTIMATED

Dollar value of externally funded, non-research expenditures (in millions)	0	0	1.7	1.8	2.0
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**Program Summary**

**PUBLIC SERVICE**

Phone:  
Not available

**Mission:**

**Description:**

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	1,798.1	2,135.3	2,225.5
<b>Total Funding</b>	<b>1,798.1</b>	<b>2,135.3</b>	<b>2,225.5</b>
<b>FTE Positions</b>	<b>13.4</b>	<b>16.1</b>	<b>16.8</b>

**Program Summary**

ACADEMIC SUPPORT

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Mission:**

*To provide services and programs to faculty, staff and students in support of the instructional, research, and service mission of the university.*

**Description:**

Academic Support services include retention, preservation, and display of educational materials through libraries, audio visual and other activities that aid in the transmission of information, and academic computing support.

**Funding:**

	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	5,614.2
Other Appropriated Funds	8,801.9	8,614.6	8,614.6
Other Non Appropriated Funds	1,060.1	1,432.6	1,422.9
<b>Total Funding</b>	<b>9,862.0</b>	<b>10,047.2</b>	<b>15,651.7</b>
<b>FTE Positions</b>	<b>37.5</b>	<b>43.7</b>	<b>47.8</b>

◆ **Goal 1** To provide Library Services as an integral and essential component in the academic success of students and faculty.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Library gate count	154,818	154,500	127,558	130,000	135,000
Workstations available for public use in library facilities	44	43	44	44	44
Number of hours the library is open each week	91	91	91	91	91

◆ **Goal 2** To provide students and faculty with the technological resources and services needed to support accomplishment of their academic goals.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of mediated classrooms	81	81	81	85	89
Percentage of classrooms with mediation	100	100	100	100	100
Number of common computing site seats	48	48	48	48	48
Percentage of site equipment outdated (>4 years old)	0	0	0	0	0



**Program Summary**

**STUDENT SERVICES**

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Mission:**

*To foster the academic, social, emotional, and physical growth of learners by creating an inclusive holistic learning environment that offers services and opportunities for students to maximize their learning experience and become well-rounded productive citizens.*

**Description:**

Student Services includes functions and other activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural and social development outside the context of the formal instruction program. These other activities include cultural events, student newspapers, intramural athletics, student organizations, nonacademic counseling and career guidance, student health services, and the administration at the senior vice presidential level.

**Funding:**

	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	2,116.7	4,266.2	4,473.3
Other Appropriated Funds	2,816.2	561.7	561.7
Other Non Appropriated Funds	-5.8	1,443.2	1,438.3
<b>Total Funding</b>	<b>4,927.1</b>	<b>6,271.1</b>	<b>6,473.3</b>
<b>FTE Positions</b>	<b>40.8</b>	<b>48.5</b>	<b>50.6</b>

◆ **Goal 1** To promote the emotional and physical well-being of students by providing quality health care services.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Students receiving health care at the Student Health Center (provider/nurse visits)	1,100	1,150	1,055	1,160	1,200

◆ **Goal 2** To enhance the quality of students' educational experience by providing programs and services which promote involvement in university activities and enhance opportunities for future employment.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Events and activities held for students each year	676	680	677	700	710
Registered campus clubs and organizations	51	55	53	60	65
Organizations recruiting on campus	57	60	58	65	72

◆ **Goal 3** To provide services that enhance the likelihood of students' academic success.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Students participating in student advisement/registration workshops	331	400	333	365	400
Students living in first year residential communities	195	300	255	280	310

**Program Summary**

INSTITUTIONAL SUPPORT

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Mission:**

*To support and facilitate the pursuit of the campus mission of teaching, research, and public service by providing coordinated, customer-focused, cost-effective, and innovative services.*

**Description:**

Institutional Support includes central executive level activities concerned with management and long-range planning for the entire university and the operation and maintenance of the physical plant. Administrative activities include fiscal operations, administrative data processing, space management, employee personnel and records, safety, security, and transportation services.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	16,960.1	16,661.3	16,661.3
Other Appropriated Funds	2,000.0	2,000.0	2,000.0
Other Non Appropriated Funds	13,185.7	22,326.4	22,542.2
<b>Total Funding</b>	<b>32,145.8</b>	<b>40,987.7</b>	<b>41,203.5</b>
<b>FTE Positions</b>	<b>53.8</b>	<b>44.6</b>	<b>44.5</b>

◆ **Goal 1** To provide comprehensive administrative and human resource services to the campus community.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Job applications processed	2,775	3,108	5,173	8,795	13,192
Positions filled	73	80	88	92	100
Percent of agency staff turnover (classified staff only)	17.7	15.2	18.2	16.8	15.4
Administration as a percentage of total cost	1.77	1.41	1.46	1.06	0.93

◆ **Goal 2** To provide a safe and secure environment that responds to the needs of students, faculty, and staff as the campus grows.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Crime reports	201	214	142	170	190
Calls for service	1,324	1,384	1,715	2,126	2,636

**Program Summary**

AUXILIARY PROGRAM

Phone:  
 Not available

**Mission:**

**Description:**

# ASU - West

- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## Agency Summary

ASU - WEST

Dr. Michael Crow, President  
 Phone: (480) 965-8972  
 A.R.S. § 15-1601

**Mission:**

*To become a comprehensive campus that balances the traditions of liberal arts education with responsiveness to the dynamics of workforce requirements. The West campus colleges and schools are committed to teaching and research that are innovative, interdisciplinary, collaborative and problem-based.*

**Description:**

ASU at the West campus is located in Phoenix and serves nearly 14,000 residential and commuter students of diverse ages, ethnicity, and experience through baccalaureate programs, master’s programs, doctoral programs and certificate programs. The West campus focuses on developing a learning community that addresses the needs of a diverse metropolitan environment. It does this by offering learner-centered academic programs that enhance learning through teaching, service and enrichment opportunities; promoting discovery and innovation; pursuing new knowledge; introducing insights and creative ideas through instruction; encouraging direct involvement in new fields of inquiry; investigating important community-based issues; and integrating with the community through service based on scholarship.

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
➤ INSTRUCTION	45,736.3	48,086.8	49,236.4
➤ ORGANIZED RESEARCH	-95.6	1,282.3	1,334.1
➤ PUBLIC SERVICE	6,986.5	7,145.8	7,621.1
➤ ACADEMIC SUPPORT	14,339.9	17,455.2	17,878.4
➤ STUDENT SERVICES	9,196.4	10,578.8	10,584.9
➤ INSTITUTIONAL SUPPORT	44,096.1	42,723.6	43,200.1
<b>Agency Total:</b>	<b>120,259.6</b>	<b>127,272.5</b>	<b>129,855.0</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	33,159.6	33,289.4	34,705.4
Other Appropriated Funds	35,520.2	41,990.2	41,990.2
Other Non Appropriated Funds	51,579.8	51,992.9	53,159.4
<b>Total Funding</b>	<b>120,259.6</b>	<b>127,272.5</b>	<b>129,855.0</b>
<b>FTE Positions</b>	<b>709.5</b>	<b>724.9</b>	<b>732.6</b>

**Program Summary**

INSTRUCTION

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Mission:**

*To offer high quality academic degrees and general studies programs that prepare graduates for personal growth, fulfilling careers, and lifelong contributions to the quality of intellectual life in the community, state, region, and nation.*

**Description:**

Instruction is comprised of activities carried out during the academic year, summer sessions, and other periods outside the regular term and associated with degree credit and non-credit academic courses. This program also includes faculty departmental research and public service activities that are not separately budgeted and academic administration where instruction plays an important role, such as at the dean and department chair levels.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	1,008.9
Other Appropriated Funds	29,557.7	32,335.9	32,335.9
Other Non Appropriated Funds	16,178.6	15,750.9	15,891.6
<b>Total Funding</b>	<b>45,736.3</b>	<b>48,086.8</b>	<b>49,236.4</b>
<b>FTE Positions</b>	<b>374.0</b>	<b>429.2</b>	<b>432.4</b>

◆ **Goal 1** To improve undergraduate and graduate education.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percentage of undergraduate degree recipients participating in research related or capstone (case study) experience	79	80	79	80	80
Percent of graduating seniors who rate their overall university experience as good or excellent	93	94	94	94	95
Percent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	72	72	78	78	78
Fall semester enrollment (full-time equivalent)	6,173	7,100	5,916	6,202	6,520
Minority graduate students as a percentage of total enrollment	23	23	25.7	26.0	27.0

◆ **Goal 2** To provide support services and courses that assist students in achieving academic success.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of undergraduate students graduating with internships and field experiences	46	46	47	48	48
Number of tutorials offered by Academic Success Programs	8,250	9,700	6,882	8,000	8,320

◆ **Goal 3** To retain students and help them graduate.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of first-time, full-time freshman persisting after one year	88.6	89.0	85.5	86.0	87.0

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of first-time, full-time, upper-division, degree-seeking undergraduate students graduating in four years	80	81	83	84	85
Number of degrees granted	1,590	1,623	1,466	1,496	1,545
Number of Bachelors degrees granted	1,228	1,259	1,122	1,161	1,202
Number of Masters degrees granted	343	345	327	335	344

**Program Summary**

ORGANIZED RESEARCH

Melinda Gebel, Director  
Phone: (480) 965-2318  
A.R.S. § 15-1601

**Mission:**

*To foster pre-eminent scholarship and creative activity that serves the citizens of Arizona through the development, application, and transfer of new knowledge especially beneficial to Arizona.*

**Description:**

Organized Research includes research activities taking place within centers, divisions, bureaus, institutes and experiment stations formally approved by the Arizona Board of Regents. These activities are specifically created and organized to produce research, whether separately budgeted within the university or commissioned by an external agency, as with federal grants and contracts.

**Funding:**

	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	-95.6	1,282.3	1,334.1
<b>Total Funding</b>	<b>-95.6</b>	<b>1,282.3</b>	<b>1,334.1</b>
<b>FTE Positions</b>	<b>40.5</b>	<b>9.1</b>	<b>9.5</b>

- ◆ **Goal 1** To provide a variety of research related opportunities for faculty so that they can improve their teaching and research activity skills.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Dollar value of proposals submitted (in millions)	52.6	58.1	31.9	65.0	77.5
External dollars received for research and creative activity (in millions)	28.7	32.1	24.9	35.9	38.7
Dollar value of total research expenditures (in millions)	0	0	2.5	2.6	2.8

**Explanation:** 2012 ACTUAL VALUE ESTIMATED

Dollar value of externally funded, non-research expenditures (in millions)	0	0	17.1	18.5	20.0
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**Program Summary**

PUBLIC SERVICE

Phone:  
Not available

**Mission:**

**Description:**

**Funding:**

	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	6,986.5	7,145.8	7,621.1
<b>Total Funding</b>	<b>6,986.5</b>	<b>7,145.8</b>	<b>7,621.1</b>
<b>FTE Positions</b>	<b>30.7</b>	<b>35.4</b>	<b>37.3</b>

**Program Summary**

ACADEMIC SUPPORT

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Mission:**

*To provide services and programs to faculty, staff and students in support of the instructional, research, and service mission of the university.*

**Description:**

Academic Support services include retention, preservation, and display of educational materials through libraries, audio visual and other activities that aid in the transmission of information, and academic computing support.

**Funding:**

	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	8,399.4	5,906.9	6,314.0
Other Appropriated Funds	4,362.5	8,054.3	8,054.3
Other Non Appropriated Funds	1,578.0	3,494.0	3,510.1
<b>Total Funding</b>	<b>14,339.9</b>	<b>17,455.2</b>	<b>17,878.4</b>
<b>FTE Positions</b>	<b>70.2</b>	<b>86.8</b>	<b>89.0</b>

◆ **Goal 1** To develop a cohesive integrated tiered reference/research support service.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Library volumes	364,273	364,500	338,711	313,700	314,000
Items checked out including renewals	44,153	42,000	21,702	22,000	22,000
Items borrowed from other ASU libraries	3,082	3,200	2,701	2,850	3,000
Items borrowed from libraries outside ASU	975	1,200	1,021	1,030	1,030

◆ **Goal 2** To improve technology equipment access, training, and support for students.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of mediated classrooms	45	45	45	46	48
Percentage of classrooms with mediation	100	100	100	100	100
Number of common computing site seats	122	115	115	115	100
Percentage of site equipment out dated (>4 years old)	100	50	30	0	0



**Program Summary**

**STUDENT SERVICES**

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Mission:**

*To foster the academic, social, emotional, and physical growth of learners by creating an inclusive holistic learning environment that offers services and opportunities for students to maximize their learning experience and become well-rounded productive citizens.*

**Description:**

Student Services includes functions and other activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural and social development outside the context of the formal instruction program. These other activities include cultural events, student newspapers, intramural athletics, student organizations, nonacademic counseling and career guidance, student health services, and the administration at the senior vice presidential level.

**Funding:**

	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	8,228.5	9,002.0	9,002.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	967.9	1,576.8	1,582.9
<b>Total Funding</b>	<b>9,196.4</b>	<b>10,578.8</b>	<b>10,584.9</b>
<b>FTE Positions</b>	<b>87.4</b>	<b>81.7</b>	<b>81.7</b>

◆ **Goal 1** To promote the emotional and physical well-being of students by providing quality health care services.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Students receiving health care on campus	1,544	1,650	1,252	1,400	1,400
Disabled students served	298	330	274	300	320

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Registered campus clubs and organizations	59	65	55	60	65
Student participation in advising services, workshops, career events, job fairs, on-campus interviews and specials events offered by Career Services to assist students seeking employment and/or career guidance	2,975	3,050	3,466	3,600	3,700
Organizations recruiting on campus	140	150	145	155	160

**Program Summary**

INSTITUTIONAL SUPPORT

Melinda Gebel, Director  
 Phone: (480) 965-2318  
 A.R.S. § 15-1601

**Mission:**

*To support and facilitate the pursuit of the campus mission of teaching, research, and public service by providing coordinated, customer-focused, cost-effective, and innovative services.*

**Description:**

Institutional Support includes central executive level activities concerned with management and long-range planning for the entire university and the operation and maintenance of the physical plant. Administrative activities include planning and programming, legal services, fiscal operations, administrative data processing, space management, employee personnel and records, purchasing, stores, safety, security, printing, transportation services, community and alumni relations, and development and fundraising.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	16,531.7	18,380.5	18,380.5
Other Appropriated Funds	1,600.0	1,600.0	1,600.0
Other Non Appropriated Funds	25,964.4	22,743.1	23,219.6
<b>Total Funding</b>	<b>44,096.1</b>	<b>42,723.6</b>	<b>43,200.1</b>
<b>FTE Positions</b>	<b>106.7</b>	<b>82.7</b>	<b>82.7</b>

◆ **Goal 1** To provide comprehensive administrative and human resource services to the campus community.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Job applications processed	2,434	2,800	3,778	5,478	7,395
Positions filled	41	47	64	96	134
Percent of agency staff turnover (classified staff only)	10.0	11.5	12.8	13.2	12.8
Administration as a percent of total cost	2.12	1.51	1.58	1.69	1.66

◆ **Goal 2** To provide a safe and secure environment that responds to the needs of students, faculty, and staff.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Crime reports	115	123	101	108	115
Calls for Service	1,230	1,249	1,195	1,200	1,204

**Program Summary**

AUXILIARY PROGRAM

Phone:  
 Not available

**Mission:**

**Description:**

# Northern Arizona University

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# Northern Arizona University DRAFT Five Year Strategic Plan, FY 2014-FY 2018

## October 1, 2012

**Mission Statement:** To provide an outstanding undergraduate residential education strengthened by research, graduate and professional programs, distance delivery, and innovative campuses and programs throughout the state.

**Agency Description:** Founded in 1899, Northern Arizona University is a vibrant community committed to teaching as learning, research as innovation, and service as shared leadership.

Accredited by the North Central Association of Colleges and Schools, the university embraces diversity and promotes inclusion across the university community as a means to prepare graduates to contribute to the social, economic, and environmental needs of a culturally rich society. It inspires students to become active citizens, leaders, visionaries, and problem solvers with an understanding of global issues.

Northern Arizona University, part of the Arizona University System, embraces the AUS vision of being a “top-performing state university system, nationally recognized for excellence in academic and research pursuits that support and stimulate a growing vibrant economy and a high quality of life for Arizonans.”

In addition to integrating sustainability themes across curriculum, Northern Arizona University’s beautiful 740 acre campus models sustainable operations through multi-modal transportation, environmentally responsible waste disposal, energy-efficient green construction, and sustainability in food procurement.

With a growing enrollment of 26,002 students, Northern Arizona University reaches out to students regionally with satellite campuses and opportunities for online learning. From its inception, NAU has implemented innovative and accountable teaching practices, including the effective use of technology.

### 1. Educational Excellence and Access

**Strategic Issue: Parity. Support initiatives meeting student demand and providing services to improve access, student learning, success, retention, and graduation, while maintaining the Pledge four-year guarantee and lower-tuition options for students.**

#### a. Strategies

- i. Maintain PLEDGE and campus-based tuition differentials
- ii. Coordinate first year student success initiatives through University College
- iii. Create a coherent and consistent learning experience to strengthen student achievement
- iv. Redesign curricular protocols and co-curricular programming incorporating technology where appropriate
- v. Develop and support alternative pathways for non-traditional students, including technology-aided solutions, such as personalized learning

**b. Resource Assumptions**

Resource Assumptions (In Millions)	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions		35.75				
General Fund	3.302	3.302	3.302	3.302	3.302	
Other Appropriated Funds						
Non-Appropriated Funds						
Federal Funds						
Total Agency Funds	3.302 Base	3.302 Base	3.302 Base	3.302 Base	3.302 Base	0

**2. Educational and Research Excellence; Workforce and Community Engagement**

**Strategic Issue: Performance Funding. Enable the university to make progress toward achieving the Arizona University System Enterprise 2020 goals.**

**a. Strategies**

- i. Improve faculty composition and quality strategically investing for excellence in university programs. Expand educational programs in areas of high value for the state of Arizona.
- ii. Increase research, public service, and scholarly activity in selective areas of expertise to positively impact the state’s citizens, environment, and economy
  1. Improve competitiveness for federal funding
  2. Employ more research faculty and postdoctoral associates to maintain strength in research and mentoring of graduate students

**b. Resource Assumptions**

	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions		68.0				
General Fund		8.466	To Be Determined	TBD	TBD	TBD

			(TBD)			
Other Appropriated Funds						
Non-Appropriated Funds						
Federal Funds						
Total Agency Funds		8.466 Base	Base	Base	Base	Base

### 3. Educational Excellence

**Strategic Issue: Instructional Innovation. One-time investment in the second stage of student success initiatives and start-up costs for two new instructional programs**

#### a. Strategies

- i. Support capital and technology needed for phase II of the Lumberjack Mathematics Center, phase II of the President' Technology Initiative
- ii. Start-up costs associated with a new Occupational Therapy program at the Phoenix Biomedical Center
- iii. Consultant support for expansion of course concept/skills modularization

#### b. Resource Assumptions (In millions)

	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions		0.0				
General Fund		5.0				
Other Appropriated Funds						
Non-Appropriated Funds						
Federal Funds						
Total Agency Funds		5.0				

### 4. Educational Excellence: Productivity and Efficiency

**Strategic Issue: One-time investment in Life Safety Health, and Fire Code Compliance**

#### a. Strategies

- i. Address structural fire resistance, fire detection, fire suppression and egress for high priority academic and “red” buildings.
- ii. Address elevator safety with necessary upgrades and modernization in multiple academic buildings.

**b. Resource Assumptions (in millions)**

	<b>FY 2013 Appropriation</b>	<b>FY 2014 Budget Request</b>	<b>FY 2015 Budget Request or Estimate</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>FY 2018 Estimate</b>
<b>Full-time-equivalent (FTE) Positions</b>		<b>0.0</b>				
<b>General Fund</b>		<b>15.0</b>				
<b>Other Appropriated Funds</b>						
<b>Non-Appropriated Funds</b>						
<b>Federal Funds</b>						
<b>Total Agency Funds</b>		<b>15.0</b>				

## Agency Summary

NORTHERN ARIZONA UNIVERSITY

Dr. John Haeger, President  
Phone: (928) 523-3232  
A.R.S. §§ 15-1601 et seq.

### Agency Summary: (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
➤ INSTRUCTION	148,815.9	161,663.9	172,982.1
➤ ORGANIZED RESEARCH	24,904.1	26,448.2	25,670.4
➤ PUBLIC SERVICE	2,010.2	2,000.0	2,000.0
➤ ACADEMIC SUPPORT	26,994.1	32,145.9	33,949.1
➤ STUDENT SERVICES	118,875.5	124,414.1	127,038.4
➤ INSTITUTIONAL SUPPORT	65,487.7	80,111.7	92,681.0
➤ AUXILARY PROGRAM	64,769.0	61,426.2	63,750.0
<b>Agency Total:</b>	<b>451,856.5</b>	<b>488,210.0</b>	<b>518,071.0</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	106,164.3	103,797.4	135,566.0
Other Appropriated Funds	97,738.9	107,409.1	107,409.1
Other Non Appropriated Funds	247,953.3	277,003.5	275,095.9
<b>Total Funding</b>	<b>451,856.5</b>	<b>488,210.0</b>	<b>518,071.0</b>
<b>FTE Positions</b>	<b>3,037.1</b>	<b>3,182.8</b>	<b>3,321.0</b>



**Program Summary**

INSTRUCTION

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**This Program Contains the following Subprograms:**

- ▶ Flagstaff and Statewide Instruction
- ▶ Yuma Instruction

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	12,427.6	3,636.6	16,592.6
Other Appropriated Funds	97,738.9	107,409.1	107,409.1
Other Non Appropriated Funds	38,649.4	50,618.2	48,980.4
<b>Total Funding</b>	<b>148,815.9</b>	<b>161,663.9</b>	<b>172,982.1</b>
<b>FTE Positions</b>	<b>1,354.6</b>	<b>1,404.4</b>	<b>1,474.0</b>

**Subprogram Summary**

FLAGSTAFF AND STATEWIDE INSTRUCTION

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	10,248.1	1,346.0	14,302.0
Other Appropriated Funds	97,738.9	107,409.1	107,409.1
Other Non Appropriated Funds	38,237.1	50,442.9	48,865.1
<b>Total Funding</b>	<b>146,224.1</b>	<b>159,198.0</b>	<b>170,576.2</b>
<b>FTE Positions</b>	<b>1,325.6</b>	<b>1,374.0</b>	<b>1,443.5</b>

◆ **Goal 1** To provide access to educational opportunities for undergraduate and graduate students.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of students enrolling in study abroad programs.	2	3	3	3	3
Increase the number of historically underrepresented ethnic students.	6,370	7,000	7,621	7,500	7,500
Increase the number of International students.	1,042	1,000	1,118	1,100	1,100
Increase the number of Native American students.	1,420	1,450	1,311	1,300	1,300
Bachelor degrees granted to statewide students, (includes community campuses and online only).	1,067	1,075	1,217	1,225	1,225

**Explanation:** Bachelor degrees granted to statewide students, (includes community campuses and online only).

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Total degrees and certificates granted (includes all campuses).	5,685	5,700	6,418	6,420	6,420
<b>Explanation:</b> Total degrees and certificates granted (includes all campuses).					
Percentage of full-time, undergraduate students enrolled per semester in three or more primary courses with ranked faculty	72	74	74	74	74
Number of Bachelor degrees granted	3,717	3,500	4,216	4,220	4,220
Percent of graduating seniors who rate their overall university experience as good or excellent	96	96	97	97	97
Average number of years taken to graduate for students who began as first-time, full-time freshmen.	4.7	4.6	4.5	4.5	4.6
<b>Explanation:</b> First-time, full-time freshmen					
Graduate degrees awarded at the master's level	1,704	1,725	1,544	1,600	1,600
Graduate degrees awarded at the doctoral level	43	45	63	61	61
Doctorate degrees awarded in the DPT category.	52	52	50	51	51
Graduate degrees granted (Statewide and Online only)	1,191	1,200	1,103	1,105	1,105
<b>Explanation:</b> Graduate degrees granted (Statewide and Online only, includes masters and doctorates.)					

### Subprogram Summary

#### YUMA INSTRUCTION

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	2,179.5	2,290.6	2,290.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	412.3	175.3	115.3
<b>Total Funding</b>	<b>2,591.8</b>	<b>2,465.9</b>	<b>2,405.9</b>
<b>FTE Positions</b>	<b>29.0</b>	<b>30.4</b>	<b>30.5</b>

◆ **Goal 1** To provide access to higher education learning experiences for Yuma Arizona students.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Arizona residents enrolled in undergraduate programs.	590	595	568	595	595
Bachelor degrees granted to Yuma students.	158	158	157	158	158
Undergraduate degree programs offered.	17	17	13	14	14
Graduate degree programs offered.	10	10	13	13	13
Percent of students graduating (6-year for first time, full time freshmen.)	67	68	68	69	69

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent of students graduating (5 year rate for lower-division, full-time transfer students.)	80	81	81	82	82
Percent of students graduating (4 year rate for upper division, full-time transfer students.)	75	76	76	77	77

◆ **Goal 2** To provide a rich learning environment with exposure to diverse populations and cultures for all Yuma students.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Percent Hispanic graduate students enrolled at the Yuma campus.	56	50	56	55	55
Hispanic student degrees awarded at YUMA, (does not include certificates).	135	135	128	130	130
Percent increase of undergraduate applications at the YUMA campus.	28	25	25	25	25
Percent of Hispanic undergraduate students at the Yuma campus.	68	68	68	68	68

**Program Summary**

ORGANIZED RESEARCH

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**This Program Contains the following Subprograms:**

- ▶ Flagstaff and Statewide Organized Research
- ▶ Yuma Organized Research

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	2,560.9	2,186.4	2,186.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	22,343.2	24,261.8	23,484.0
<b>Total Funding</b>	<b>24,904.1</b>	<b>26,448.2</b>	<b>25,670.4</b>
<b>FTE Positions</b>	<b>211.7</b>	<b>214.2</b>	<b>216.5</b>

**Subprogram Summary**

FLAGSTAFF AND STATEWIDE ORGANIZED RESEARCH

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	2,560.9	2,186.4	2,186.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	22,343.2	24,261.8	23,484.0
<b>Total Funding</b>	<b>24,904.1</b>	<b>26,448.2</b>	<b>25,670.4</b>
<b>FTE Positions</b>	<b>211.7</b>	<b>214.2</b>	<b>216.5</b>

- ◆ **Goal 1** To offer graduate programs contributing to research and innovation in Arizona

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Graduate students enrolled in Flagstaff's Master's level programs.	1,514	1,600	1,501	1,500	1,500
Graduate students enrolled in Flagstaff's Doctoral level programs.	385	380	380	380	380
Graduate degrees granted to Flagstaff students, (masters and doctorates).	536	540	509	515	515

- ◆ **Goal 2** To offer graduate programs which meet needs for graduate level instruction, such as teacher education or advanced professional training.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Graduate students enrolled in statewide Master's level programs.	4,346	5,000	4,181	4,500	4,500
Graduate students enrolled in statewide Doctoral level programs.	154	150	146	150	150

**Subprogram Summary**

YUMA ORGANIZED RESEARCH

Pat Haeuser, Vice President  
Phone: (928) 523-7777  
A.R.S. § 15-1601

- ◆ **Goal 1** To offer graduate programs which meet needs for graduate level instruction, and expand integrated, intentional research and scholarship.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Yuma Graduate students enrolled in Master's level programs.	232	240	132	150	150
Yuma Graduate students enrolled in Doctoral level programs	3	5	4	4	4

**Program Summary**

PUBLIC SERVICE

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**This Program Contains the following Subprograms:**

- ▶ Flagstaff and Statewide Public Service
- ▶ Yuma Public Service

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	2,010.2	2,000.0	2,000.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>2,010.2</b>	<b>2,000.0</b>	<b>2,000.0</b>
<b>FTE Positions</b>	<b>8.0</b>	<b>8.3</b>	<b>8.3</b>

**Subprogram Summary**

FLAGSTAFF AND STATEWIDE PUBLIC SERVICE

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	2,087.6	2,145.0	2,145.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	31,195.5	30,288.0	30,527.2
<b>Total Funding</b>	<b>33,283.1</b>	<b>32,433.0</b>	<b>32,672.2</b>
<b>FTE Positions</b>	<b>207.9</b>	<b>213.6</b>	<b>216.2</b>

◆ **Goal 1** To be a partner in the cultural climate of Arizona and the Southwest region.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Department of Theater season performances and lectures.	37	38	36	38	38
Music concerts and film series scheduled.	34	34	35	35	35

◆ **Goal 2** To enhance the quality of life in Arizona and the Southwest region.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Total Civic Service Institute Volunteer Hours	409,984	350,000	442,633	425,000	450,000
To mobilize generations to give service assisting community agencies to meet critical community need.					

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Collaborating Agencies under the Civic Service Institute To strengthen public and private community agencies throughout Arizona by increasing volunteer capacity in the following focus areas: disaster services, economic opportunity, education, environmental stewardship, healthy futures, and veterans and military families.	545	300	330	300	300
Number of participating volunteers To mobilize generations, including youth, young adults, students, and older adults to give meaningful service in communities throughout Arizona and make a difference in the lives of others.	3,665	2,500	3,343	3,000	3,000
Number of individuals benefited by CSI services. To make a difference in the lives of others by mobilizing volunteers to assist individuals via community agencies throughout Arizona.	279,702	250,000	42,512	45,000	45,000

**Explanation:** (Please note we have changed the measure from including both direct and indirect impact to only including direct impact).

<b>Subprogram Summary</b>	
YUMA PUBLIC SERVICE	
Pat Haeuser, Vice President Phone: (928) 523-7777 A.R.S. § 15-1601	

◆ **Goal 1** To increase the workforce development with local business and NAU-YUMA.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Arizona Town Hall series Meetings held in Yuma	2	1	1	1	1
Number of undergraduate programs offered	17	17	15	16	16
Number of Arizona Western College transfer students who attend NAU	438	435	424	435	435

**Program Summary**

ACADEMIC SUPPORT

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**This Program Contains the following Subprograms:**

- ▶ Flagstaff and Statewide Academic Support
- ▶ Yuma Academic Support

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	23,499.8	26,259.1	28,002.5
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	3,494.3	5,886.8	5,946.6
<b>Total Funding</b>	<b>26,994.1</b>	<b>32,145.9</b>	<b>33,949.1</b>
<b>FTE Positions</b>	<b>327.8</b>	<b>349.2</b>	<b>368.4</b>

**Subprogram Summary**

FLAGSTAFF AND STATEWIDE ACADEMIC SUPPORT

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	22,830.1	25,724.5	27,467.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	3,494.3	5,886.8	5,946.6
<b>Total Funding</b>	<b>26,324.4</b>	<b>31,611.3</b>	<b>33,414.5</b>
<b>FTE Positions</b>	<b>324.0</b>	<b>345.2</b>	<b>364.4</b>

- ◆ **Goal 1** To provide a physical and online environment that supports student and faculty learning, teaching and research.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of users in the library	637,658	680,000	594,133	680,000	650,000
Number of hours students utilize collaborative work (group study) room	8,937	9,500	18,672	10,000	10,500
Number of campus network logins from the library's public computers	278,791	285,000	289,462	290,000	330,000
Number of accesses to the library's licensed online resources	941,605	1,083,000	3,054,005	3,512,106	4,038,922
Number of electronic journal titles available	59,863	60,000	59,911	62,000	62,000
Number of accesses to electronic books	12,810	20,000	447,777	514,990	592,185
Number of items provided for NAU students, faculty and staff via Document Delivery Services	38,301	38,500	28,825	29,500	29,500
Average turnaround time for items provided for NAU students, faculty and staff via Document Delivery Services	5.5 days	5.5 days	5.3 days	5.3 days	5.1 days



<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of individual student research consultations completed by library staff	310	350	281	300	300
Number of laptop check outs by students	27,950	36,000	26,520	30,000	35,000
Investment dollars in Cline Library licensed online resources	1,953	1,953	1,757,157	1,800,000	1,800,000
Number of streaming media titles used in courses	1,371	1,400	1,614	1,700	1,800

- ◆ **Goal 2** To select, digitize, and provide 24/7 access to Colorado Plateau resources located in the Library's Special Collections and Archives.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of items available to end users in the Colorado Plateau Digital Archives	87,800	95,000	94,658	110,000	125,000
*Number of digital objects unmasked and available to the end user, does not include digitized – but masked items.					
Number of accesses to the Digital Archives (in millions)	2	2	2	6	6
Number of courses and research initiatives supported by digital archival materials	130	130	130	130	130
Average turnaround time for user orders for material from Digital Archives	72 hours	72 hours	72 hours	72 hours	72 hours

**Subprogram Summary**

YUMA ACADEMIC SUPPORT

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	669.7	534.6	534.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>669.7</b>	<b>534.6</b>	<b>534.6</b>
<b>FTE Positions</b>	<b>3.8</b>	<b>4.0</b>	<b>4.0</b>

- ◆ **Goal 1** To improve statewide access to network services, general computing resources, and instructional technology for NAU YUMA faculty and students.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Computer lab internet hookups	190	190	190	190	195
NAU-YUMA and AWC academic libraries	1	1	2	2	2
Amount raised from the Yuma Chapter of the NAU Alumni Association for Scholarships.	0	0	300,000	300,000	300,000

**Explanation:** New Measure

**Program Summary**

STUDENT SERVICES

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**This Program Contains the following Subprograms:**

- ▶ Flagstaff and Statewide Student Services
- ▶ Yuma Student Services

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	14,698.3	16,828.7	18,897.9
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	104,177.2	107,585.4	108,140.5
<b>Total Funding</b>	<b>118,875.5</b>	<b>124,414.1</b>	<b>127,038.4</b>
<b>FTE Positions</b>	<b>332.8</b>	<b>374.5</b>	<b>402.0</b>

**Subprogram Summary**

FLAGSTAFF AND STATEWIDE STUDENT SERVICES

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	14,541.0	16,669.4	18,738.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	104,366.1	107,459.4	108,091.7
<b>Total Funding</b>	<b>118,907.1</b>	<b>124,128.8</b>	<b>126,830.3</b>
<b>FTE Positions</b>	<b>322.4</b>	<b>363.5</b>	<b>390.9</b>

- ◆ **Goal 1** To assist Flagstaff students in cultural, physical, and social development/wellness by providing services, activities, and events.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Students use/participation: Counseling Services visits	5,014	5,020	5,577	6,400	7,400
Inclusion and Multicultural Services (IMS) participants: In FY 2011 the IMS started collecting data on the number of unique student participants with our program.	967	1000	988	1100	1100
Total use of computer lab in Inclusion and Multicultural Services (IMS).	20,500	20,500	21,000	21,500	21,500
Number of Student Life registered organizations.	250	250	286	286	290

- ◆ **Goal 2** To support Flagstaff student learning by providing financial support services to qualified students within the specific limitations of the financial aid system.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
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	Actual	Estimate	Actual	Estimate	Estimate
Students receiving financial aid by categories: Scholarships	6,353	6,400	6731	6500	6500
Students receiving financial aid by categories: Waivers	808	800	767	800	800
Students receiving financial aid by categories: Grants	7,026	7,000	7600	7500	7500
Students receiving financial aid by categories: Employment	3,226	3,200	3488	3300	3300
Students receiving financial aid by categories: Loans	9,374	9,400	9765	9500	9500

◆ **Goal 3** To support Statewide student learning by providing financial support services to qualified students within the specific limitations of the financial aid system.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Students receiving financial aid by categories: Scholarships	408	500	505	500	500
Students receiving financial aid by categories: Waivers	174	170	201	195	195
Students receiving financial aid by categories: Grants	2,185	2,200	2668	2500	2500
Students receiving financial aid by categories: Employment	22	20	32	25	25
Students receiving financial aid by categories: Loans	2,548	2,600	3054	3000	3000

**Subprogram Summary**

YUMA STUDENT SERVICES

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

<b>Funding:</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
General Funds	157.3	159.3	159.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	-188.9	126.0	48.8
<b>Total Funding</b>	<b>-31.6</b>	<b>285.3</b>	<b>208.1</b>
<b>FTE Positions</b>	<b>10.4</b>	<b>11.0</b>	<b>11.1</b>

◆ **Goal 1** To support NAU-Yuma student learning by providing financial support services to qualified students.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Students receiving financial aid by categories: Scholarships	138	150	155	150	150
Students receiving financial aid by categories: Waivers	9	10	5	8	8
Students receiving financial aid by categories: Grants	449	450	444	450	450
Students receiving financial aid by categories: Employment	24	25	19	20	20

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<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Students receiving financial aid by categories: Loans	318	320	335	340	340

**Program Summary**

INSTITUTIONAL SUPPORT

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

**This Program Contains the following Subprograms:**

- ▶ Flagstaff and Statewide Institutional Support
- ▶ Yuma Institutional Support

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	50,967.5	52,886.6	67,886.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	14,520.2	27,225.1	24,794.4
<b>Total Funding</b>	<b>65,487.7</b>	<b>80,111.7</b>	<b>92,681.0</b>
<b>FTE Positions</b>	<b>505.6</b>	<b>515.9</b>	<b>518.5</b>

**Subprogram Summary**

FLAGSTAFF AND STATEWIDE INSTITUTIONAL SUPPORT

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	50,967.5	52,886.6	67,886.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	14,520.2	27,225.1	24,794.4
<b>Total Funding</b>	<b>65,487.7</b>	<b>80,111.7</b>	<b>92,681.0</b>
<b>FTE Positions</b>	<b>505.6</b>	<b>515.9</b>	<b>518.5</b>

◆ **Goal 1** To enhance the safety and the learning/working environment.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
NAU numbers of: Affirmative Action formal and informal complaints, consultations and ADA issue contacts.	348	350	422	400	400
<b>Explanation:</b> Data reflects a change in Measure, see measure # 2 below.					
People trained proactively by the Office of Affirmative Action and Equal Opportunity, on-line and in person.	4,196	4,000	3,625	3,900	3,900
People served by the Office of Employee Assistance and Wellness	4,658	4,462	3,982	4,320	4,320
Programs offered by the Office of Employee Assistance and Wellness	134	150	128	137	137
Internal audits conducted	8	14	13	14	13
Percent of agency staff turnover	10	11	13	12	12

◆ **Goal 2** To improve the physical living, working, and learning environment.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
State appropriations for building renewal (in millions.) No funds were received for FY12 or FY13.	0	0	0	0	9.6
Operation and maintenance of plant, (in millions.)	17.4	16.0	17.8	21.8	23.0

**Subprogram Summary**

YUMA INSTITUTIONAL SUPPORT

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. § 15-1601

◆ **Goal 1** To improve the physical living, working, and learning environment.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Calculated building renewal need.	0	0	18,800	20,000	22,000

**Explanation:** New Measure

**Program Summary**

AUXILIARY PROGRAM

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. §§ 15-1601 et seq.

**This Program Contains the following Subprograms:**

- ▶ Flagstaff and Statewide Auxiliary Program
- ▶ Yuma Auxiliary Program

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	64,769.0	61,426.2	63,750.0
<b>Total Funding</b>	<b>64,769.0</b>	<b>61,426.2</b>	<b>63,750.0</b>
<b>FTE Positions</b>	<b>296.6</b>	<b>316.3</b>	<b>333.3</b>

**Subprogram Summary**

FLAGSTAFF AND STATEWIDE AUXILIARY PROGRAM

Pat Haeuser, Vice President  
 Phone: (928) 523-7777  
 A.R.S. §§ 15-1601 et seq.

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	64,769.0	61,426.2	63,750.0
<b>Total Funding</b>	<b>64,769.0</b>	<b>61,426.2</b>	<b>63,750.0</b>
<b>FTE Positions</b>	<b>296.6</b>	<b>316.3</b>	<b>333.3</b>

◆ **Goal 1** To provide an excellent residential living experience for students choosing to live on the Flagstaff Mountain Campus.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Percent of new, first time, full-time students living in residence halls.	0	0	90	85	85
Percent of new freshmen utilizing one of the Student Learning Centers (tutoring) one or more times.	0	0	49	40	40
Total number of students who were housed by Residence Life.	0	0	8,400	8,400	8,400
Total number of students utilizing the Student Learning Centers (tutoring).	0	0	6,165	5,500	5,500
Percent of new first-time, full-time students who live in Freshmen Connections housing.	0	0	88	83	83

◆ **Goal 2** To assist Flagstaff students in cultural, physical and social development/wellness by providing services, activities and events.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
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<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Total use/participation: Recreation Center visits	0	0	439,092	445,000	450,000
Students use/participation: Outdoor Recreation	0	0	15,053	15,000	15,000
Students use/participation: Wall Aquatic Center	43,461	43,000	38,854	39,000	39,000
Students use/participation: Intramural participants	0	0	3,863	3,900	3,900
Students use/participation: Campus Health Services/Medical Services visits.	0	0	59,338	63,000	66,000

The Health and Learning Center opened August 1, 2011 along with a Pharmacy.

The increase in utilization forecasted is due to the Pharmacy & a growth in patient visits in the new building.

**Subprogram Summary**

YUMA AUXILIARY PROGRAM

Pat Haeuser, Planning & Institutional Research  
 Phone: (928) 523-7777  
 A.R.S. §§ 15-1601 et seq.

◆ **Goal 1** To provide a support system for students at the Yuma Campus.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Auxiliary operations provided by Arizona Western College (AWC) includes: bookstore, dining services, childcare and transportation.	0	0	Yes	Yes	Yes

**Explanation:** New Measure



# University of Arizona - Main Campus

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

## The University of Arizona Strategic Plan 2014 - 2018

### Master List Edition—2012

**Mission Statement:** To improve life and economic impact for the people of Arizona and beyond through education, research, creative expression, and community engagement.

**Description:** The University of Arizona in Tucson, including branch campuses in Sierra Vista and downtown Phoenix, is a land-grant, doctoral research university. 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. It has a total student body enrollment of 40,223 full-time and part-time students. As a land-grant university, it maintains programs in production agriculture, mining, and engineering and serves the State through its cooperative extension services, technology transfer, economic development assistance, distributed education, 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 these activities and outcomes into advancement of Arizona's economy.

#### Strategic Issues:

##### 1. EXPANDING ACCESS AND ENHANCING EDUCATIONAL EXCELLENCE

###### a. Goal

- i. Increase the number of citizens with the skills and understanding to contribute to economic development and improve the quality of life.

###### b. Strategies

- i. Grow the self-funded *Arizona Assurance Program* to contribute to Arizona's economy and standard of living by making a high quality university education as affordable and accessible as possible.
- ii. Work with P-14 education to assure that entering students are well-prepared for university-level challenges.
- iii. Use both distributed and distance education to reach students who are time and/or place-bound.
- iv. Track and improve academic quality through student learning outcomes assessment and feedback.

##### 2. INCREASING ACHIEVEMENTS IN RESEARCH SCHOLARSHIP AND CREATIVE EXPRESSION

###### a. Goal

- i. Advance research that creates new knowledge, enhances education, and addresses social, cultural, and economic needs.

**b. Strategies**

- i. Leverage research funding to create new knowledge, and to translate that knowledge into significant economic contributions to the State.
- ii. Provide research opportunities for both undergraduate and graduate students.
- iii. Foster interdisciplinary and collaborative research to provide a more broadly based student experience and a greater spectrum of solutions to the complex problems of the real world.
- iv. Maximize external funding by enhancing collaboration and providing strategic investments in areas of research with high promise.
- v. Utilize the University's research enterprise to establish deeper linkages with and provide economic advantage to Arizona's industry.

**3. EXPANDING COMMUNITY ENGAGEMENT AND WORKFORCE IMPACT**

**a. Goal**

- i. Foster civic engagement and improve economic competitiveness.

**b. Strategies**

- i. Promote greater use of distributed education programs located throughout the State.
- ii. Develop and advance community-based programs, substantively engaging university personnel, students, programs, and innovations in those communities to empower the creation of localized and distributed economic impact.
- iii. Assure that all campus units embrace the land-grant concept of learning from and extending knowledge to those external to the University.
- iv. Fundamentally realign our research, licensing, tech park, incubator, and tech transfer infrastructure in a single organization to assure maximum impact on Arizona's economy and benefit to Arizona industry.

**4. IMPROVING PRODUCTIVITY AND EFFICIENCY**

**a. Goal**

- i. Streamline operations and business practices to maximize efficiencies.

**b. Strategies**

- i. Consolidate and realign departments and non-academic units to improve the efficiency of support functions.
- ii. Complete the Mosaic Project to assure that business operations are more flexible, responsive, and secure.
- iii. Revise and redeploy Responsibility Centered Management to assure that both costs and income are accounted for.
- iv. Strategically reallocate and realign research funds to invest in areas of greatest promise and strength.

## RESOURCE ASSUMPTIONS

### Funding and FTE Budget Summary

Dollars in Thousands	FY2013
General Funds	\$ 270,723.8
Other Appropriated Funds	\$ 313,838.4
Other Non-appropriated Funds	\$ 970,852.7
Federal Funds	\$ 442,494.8
<b>Program Total</b>	<b>\$1,997,909.7</b>
Total State FTE Employees	6,374.1

### EXPANDING ACCESS AND ENHANCING EDUCATIONAL EXCELLENCE

(FY2014=Request; Out-Years=Incremental Costs; Constant/Nominal Dollars; In Thousands)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
<b>General Funds</b>	58,000.1	5,182.5	9,561.3	14,115.2	14,472.4
<b>Other Appropriated Funds</b>	0.0	14,122.7	14,828.9	15,570.3	16,348.9
<b>Building Renewal</b>	29,241.0	29,825.8	30,422.2	31,030.7	31,651.3
<b>Other Non-appropriated Funds</b>	11,138.9	8,766.2	13,412.5	13,814.8	14,229.2
<b>Federal Funds</b>	3,091.4	4,371.6	5,683.1	5,967.2	6,265.6
<b>Strategic Issue Total Funds</b>	101,471.4	62,268.8	73,908.0	80,498.2	82,967.4
<b>Total State FTE Employees</b>	522.6	218.1	306.4	354.3	369.1

### INCREASING ACHIEVEMENTS IN RESEARCH SCHOLARSHIP AND CREATIVE EXPRESSION

(FY2014=Request; Out-Years=Incremental Costs; Constant/Nominal Dollars; In Thousands)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
<b>General Funds</b>	22,663.6	2,783.2	4,407.5	6,096.9	6,229.5
<b>Other Appropriated Funds</b>	0.0	470.8	494.3	519.0	545.0
<b>Building Renewal</b>	15,703.5	16,017.6	16,337.8	16,664.8	16,997.9
<b>Other Non-appropriated Funds</b>	9,113.7	7,172.5	10,973.7	11,303.0	11,642.1
<b>Federal Funds</b>	6,698.1	9,471.9	12,313.1	12,929.0	13,575.5
<b>Strategic Issue Total Funds</b>	54,178.9	35,916.0	44,526.4	47,512.5	48,990.0
<b>Total State FTE Employees</b>	278.1	136.9	203.2	224.5	233.7

**COMMUNITY ENGAGEMENT AND WORKFORCE IMPACT**

(FY2014=Request; Out-Years=Incremental Costs; Constant/Nominal Dollars; In Thousands)

	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>General Funds</b>	9,775.9	1,151.7	1,858.0	2,592.5	2,650.2
<b>Other Appropriated Funds</b>	0.0	313.8	329.5	346.0	363.3
<b>Building Renewal</b>	6,498.0	6,627.9	6,760.4	6,895.6	7,033.5
<b>Other Non-appropriated Funds</b>	3,797.5	2,988.5	4,572.4	4,709.6	4,850.9
<b>Federal Funds</b>	2,447.4	3,460.9	4,499.1	4,724.0	4,960.3
<b>Strategic Issue Total Funds</b>	22,518.8	14,542.8	18,019.4	19,267.7	19,858.2
<b>Total State FTE Employees</b>	115.9	54.1	80.9	89.8	93.4

**IMPROVING PRODUCTIVITY AND EFFICIENCY**

(FY2014=Request; Out-Years=Incremental Costs; Constant/Nominal Dollars; In Thousands)

	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>General Funds</b>	4,760.0	479.9	833.0	1,200.2	1,229.1
<b>Other Appropriated Funds</b>	0.0	784.6	823.9	865.0	908.2
<b>Building Renewal</b>	2,707.5	2,761.7	2,816.8	2,873.1	2,930.6
<b>Other Non-appropriated Funds</b>	1,265.7	996.2	1,524.1	1,570.0	1,617.0
<b>Federal Funds</b>	644.0	910.7	1,184.2	1,243.3	1,305.3
<b>Strategic Issue Total Funds</b>	9,377.2	5,933.1	7,182.0	7,751.6	7,990.2
<b>Total State FTE Employees</b>	48.2	21.5	31.1	35.2	36.6

## Agency Summary

UNIVERSITY OF ARIZONA - MAIN CAMPUS

Ann Weaver Hart, President  
 Phone: (520) 621-5511  
 A.R.S. § 15-1601

### Agency Summary: (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
➤ INSTRUCTION	282,540.3	303,851.2	309,139.1
➤ ORGANIZED RESEARCH	363,386.3	370,735.7	424,411.9
➤ PUBLIC SERVICE	43,477.9	46,448.9	47,725.5
➤ ACADEMIC SUPPORT	56,963.7	65,525.6	65,868.7
➤ STUDENT SERVICES	73,164.5	117,289.0	120,303.5
➤ INSTITUTIONAL SUPPORT	580,748.4	510,654.5	537,113.5
➤ AUXILIARY PROGRAM	236,388.7	227,080.5	232,600.0
➤ COLLEGE OF AGRICULTURE AND LIFE SCIENCES	50,541.8	49,546.9	58,846.9
➤ UNIVERSITY OF ARIZONA SOUTH	6,294.2	7,031.5	7,031.5
<b>Agency Total:</b>	<b>1,693,505.8</b>	<b>1,698,163.8</b>	<b>1,803,040.6</b>
<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>
General Funds	226,387.9	209,138.5	283,541.5
Other Appropriated Funds	250,194.0	269,918.0	269,918.0
Other Non Appropriated Funds	1,216,923.9	1,219,107.3	1,249,581.1
<b>Total Funding</b>	<b>1,693,505.8</b>	<b>1,698,163.8</b>	<b>1,803,040.6</b>
<b>FTE Positions</b>	<b>11,283.6</b>	<b>11,017.3</b>	<b>11,344.0</b>

**Program Summary**

INSTRUCTION

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	6,000.0
Other Appropriated Funds	210,414.5	211,413.9	211,413.9
Other Non Appropriated Funds	72,125.8	92,437.3	91,725.2
<b>Total Funding</b>	<b>282,540.3</b>	<b>303,851.2</b>	<b>309,139.1</b>
<b>FTE Positions</b>	<b>2,987.3</b>	<b>3,029.2</b>	<b>3,092.1</b>

◆ **Goal 1** To increase productivity, efficiency, and effectiveness

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Graduating seniors who rate their overall experience as good or excellent (percent)	94	95	96	96	96
Full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty (percentage)	73	74	75	76	77
Total number of degrees granted	7,822	7,705	7,892	7,816	8,065
Bachelors degrees granted	5,780	5,738	5,889	5,842	6,027
Masters degrees granted	1,480	1,349	1,451	1,364	1,410
First Professional degrees granted	159	177	149	162	173

**Explanation:** Perform. Measure Description change to reflect new IPEDS categories.

Doctorate degrees granted	403	441	403	447	455
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**Explanation:** Perform. Measure Description change to reflect new IPEDS categories.

Average number of years taken to graduate for students who began as freshmen	4.5	4.4	4.4	4.3	4.3
Administration as a percent of total cost	2.1	1.9	2.1	1.9	1.7
Agency staff turnover (percent)	12.3	12.5	12.2	12.0	12.0
Gifts, grants, and contracts (millions)	385	405	381	396	412
Grants and contracts expenditures (millions)	322	339	326	339	353

◆ **Goal 2** To improve student persistence and graduation rates over time.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Freshmen returning for the second year (percent)	77	77	77.2	80.2	81.4
Four Year Graduation Rate of Arizona Community College Transfers (percent)	54	57	66.9	67.2	67.6
Six-Year graduation rate.	60	60	61.4	61.8	62.1

**Program Summary**

**ORGANIZED RESEARCH**

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	25,309.1	25,655.1	69,758.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	338,077.2	345,080.6	354,653.8
<b>Total Funding</b>	<b>363,386.3</b>	<b>370,735.7</b>	<b>424,411.9</b>
<b>FTE Positions</b>	<b>2,580.5</b>	<b>2,613.6</b>	<b>2,716.9</b>

◆ **Goal 1** To increase external funding for organized research programs relative to peer institutions.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Total Research & Development Expenditures in thousands	450,429	490,620	462,644	522,750	550,500
National Science Foundation Research ranking (publics)	N/A	17	N/A	17	16

◆ **Goal 2** To form a bridge connecting the University with the private sector and expand its engagement with regional, national, and international business communities, and build philanthropic support for the University and its partners.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
New Companies Started	0	0	6	8	9



**Program Summary**

PUBLIC SERVICE

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	3,221.0	3,188.8	3,188.8
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	40,256.9	43,260.1	44,536.7
<b>Total Funding</b>	<b>43,477.9</b>	<b>46,448.9</b>	<b>47,725.5</b>
<b>FTE Positions</b>	<b>400.5</b>	<b>404.5</b>	<b>417.3</b>

- ◆ **Goal 1** To leverage the strengths of international affairs programs and the efforts of our faculty by strategically enhancing efforts abroad in target geographies most relevant to the University.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of students in Study Abroad and Exchange programs	1,210	2,200	1,138	1,410	1,551
Number of undergraduate international students	1,132	1,200	1,267	1,632	1,732
Number of graduate international students	1,378	1,400	1,396	1,443	1,450

- ◆ **Goal 2** To facilitate and assure the University's mandate of service, partnership, and the sharing of knowledge which most clearly expresses the distinguishing nature of land grant universities.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Number of people served by Cooperative Extension (in thousands)	477	480	438	450	450
Number of volunteer hours generated in Agriculture	139,800	145,000	178,000	180,000	200,000

**Program Summary**

ACADEMIC SUPPORT

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	26,836.0	8,711.1	8,711.1
Other Appropriated Funds	26,917.5	44,621.5	44,621.5
Other Non Appropriated Funds	3,210.2	12,193.0	12,536.1
<b>Total Funding</b>	<b>56,963.7</b>	<b>65,525.6</b>	<b>65,868.7</b>
<b>FTE Positions</b>	<b>851.8</b>	<b>783.5</b>	<b>791.1</b>

- ◆ **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.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Academic programs reviewed for quality and effectiveness	17	23	14	19	22
Dollars internally reallocated to priority academic units (in thousands of dollars)	6,210	5,022	6,883	5,250	5,500

- ◆ **Goal 2** To acquire and/or provide access to information resources and services appropriate to research university users via the most cost-effective means.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Resources (print and non-print) circulated from the collection.	369,991	350,000	332,770	315,000	300,000
Resources (print and non-print) used in the library.	109,615	107,423	102,102	97,000	90,000
Electronic Resources used on-site and remotely.(in the millions)	11	11	11	12	12

- ◆ **Goal 3** To support alternative delivery modes of education for Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of Online Undergraduate Degrees	7	15	18	20	30
Number of Online Graduate Degrees	200	238	217	266	293
Number of Online Graduate Certificates	47	60	42	63	84

**Program Summary**

STUDENT SERVICES

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	12,858.5	12,665.4	12,665.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	60,306.0	104,623.6	107,638.1
<b>Total Funding</b>	<b>73,164.5</b>	<b>117,289.0</b>	<b>120,303.5</b>
<b>FTE Positions</b>	<b>454.2</b>	<b>438.9</b>	<b>448.7</b>

◆ **Goal 1** To admit a freshman class well-prepared for University work.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Quality of freshman class based on: High school grade point average	3.4	3.4	3.4	3.4	3.5
Quality of freshman class based on: SAT scores	1,099	1,102	1109	1116	1120

◆ **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.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>
Students reporting binge drinking in last year (survey done biannually) (percent)	35	34	36	35	34
Students reporting tobacco use in the last 30 days (percent)	22	20	21	20	19

**Program Summary**

**INSTITUTIONAL SUPPORT**

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	114,189.3	116,222.3	131,222.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	466,559.1	394,432.2	405,891.2
<b>Total Funding</b>	<b>580,748.4</b>	<b>510,654.5</b>	<b>537,113.5</b>
<b>FTE Positions</b>	<b>2,113.9</b>	<b>1,791.8</b>	<b>1,816.1</b>

◆ **Goal 1** To enhance community support for the work of the University in the larger community.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Endowment Assets (in thousands)	380,930	380,930	368,467	376,205	384,105
Annual Giving (in thousands)	92,160	94,720	134,409	105,873	109,049

◆ **Goal 2** To attract and engage a diverse and high quality workforce

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Minority employees in administrative, faculty, professional and classified positions (percent)	28	29	28	28	29
UA Life & Work Connections contacts per year	14,608	15,500	16,978	17,500	18,200

**Program Summary**

AUXILIARY PROGRAM

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	236,388.7	227,080.5	232,600.0
<b>Total Funding</b>	<b>236,388.7</b>	<b>227,080.5</b>	<b>232,600.0</b>
<b>FTE Positions</b>	<b>1,152.5</b>	<b>1,207.9</b>	<b>1,235.9</b>

◆ **Goal 1** To provide affordable housing and a residential living experience conducive to academic success and social well-being.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of new freshmen living in residence halls	68	68	68	70	72
Total number of students living in residence halls	4,384	4,430	4,563	4,680	4,817

◆ **Goal 2** To promote health, wellness and safety by providing quality medical, mental health care, and health education to the student community.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of visits to Campus Health's Main and McKale clinics (medical and counseling and psychological services)	30,557	30,700	71,792	70,000	70,000
Percent who indicate they would refer a friend to Campus Health	98.6	98.7	99.0	98.0	98.0
Overall rating of Campus Health (0-10, with 10 high)	8.7	8.8	8.8	8.9	9.0

◆ **Goal 3** To serve students with learning disabilities.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of students served by the Strategic Alternative Learning Techniques (SALT) Center	542	535	605	599	599

**Program Summary**

COLLEGE OF AGRICULTURE AND LIFE SCIENCES

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	40,911.9	39,788.4	49,088.4
Other Appropriated Funds	9,629.9	9,758.5	9,758.5
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>50,541.8</b>	<b>49,546.9</b>	<b>58,846.9</b>
<b>FTE Positions</b>	<b>670.2</b>	<b>670.2</b>	<b>748.2</b>

- ◆ **Goal 1** To attain a level of tenure/tenure eligible faculty that is effective in providing students with the high quality faculty they deserve and the college with the research productivity essential to premier research university.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Degrees/FTE faculty (T/TE)	6.0	6.3	5.6	5.8	6.1
External funding obtained/FTE Faculty (T/TE)	325,183	342,100	326,940	340,000	353,600
SCH/Faculty FTE (T/TE)	451	474	453	476	499

- ◆ **Goal 2** To graduate as many well qualified students as possible.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of Undergraduate Degrees granted (Bachelors)	702	697	662	657	678
Number of Graduate degrees granted (Masters, Specialist, Ph.D)	126	120	122	119	123

- ◆ **Goal 3** To partner with and serve the people of Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of volunteer hours generated in Agriculture.	139,800	145,000	178,000	180,000	200,000
Number of people served by Cooperative Extension	476,690	480,000	437,900	450,000	450,000

**Program Summary**

UNIVERSITY OF ARIZONA SOUTH

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	3,062.1	2,907.4	2,907.4
Other Appropriated Funds	3,232.1	4,124.1	4,124.1
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>6,294.2</b>	<b>7,031.5</b>	<b>7,031.5</b>
<b>FTE Positions</b>	<b>72.7</b>	<b>77.7</b>	<b>77.7</b>

◆ **Goal 1** To increase student FTE and retention.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Student FTE	474	498	540	566	595

◆ **Goal 2** To attain a level of tenure/tenure eligible faculty that is effective in providing students with the high quality faculty they deserve and the college with the research productivity essential to premier research university.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Degrees/FTE faculty (T/TE)	7.8	8.1	7.6	8.0	8.4
SCH/Faculty FTE (T/TE)	914	960	1,156	1,213	1,274

◆ **Goal 3** To graduate as many well-qualified students as possible.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of Undergraduate Degrees granted (Bachelors)	62	62	59	59	60
Number of Graduate degrees granted (Masters, Specialist, Ph.D)	31	30	25	25	26

# University of Arizona - Health Sciences Center

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



## The University of Arizona Strategic Plan 2014 - 2018

### Master List Edition—2012

**Mission Statement:** To improve life and economic impact for the people of Arizona and beyond through education, research, creative expression, and community engagement.

**Description:** The University of Arizona in Tucson, including branch campuses in Sierra Vista and downtown Phoenix, is a land-grant, doctoral research university. 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. It has a total student body enrollment of 40,223 full-time and part-time students. As a land-grant university, it maintains programs in production agriculture, mining, and engineering and serves the State through its cooperative extension services, technology transfer, economic development assistance, distributed education, 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 these activities and outcomes into advancement of Arizona's economy.

#### Strategic Issues:

##### 1. EXPANDING ACCESS AND ENHANCING EDUCATIONAL EXCELLENCE

###### a. Goal

- i. Increase the number of citizens with the skills and understanding to contribute to economic development and improve the quality of life.

###### b. Strategies

- i. Grow the self-funded *Arizona Assurance Program* to contribute to Arizona's economy and standard of living by making a high quality university education as affordable and accessible as possible.
- ii. Work with P-14 education to assure that entering students are well-prepared for university-level challenges.
- iii. Use both distributed and distance education to reach students who are time and/or place-bound.
- iv. Track and improve academic quality through student learning outcomes assessment and feedback.

##### 2. INCREASING ACHIEVEMENTS IN RESEARCH SCHOLARSHIP AND CREATIVE EXPRESSION

###### a. Goal

- i. Advance research that creates new knowledge, enhances education, and addresses social, cultural, and economic needs.

**b. Strategies**

- i. Leverage research funding to create new knowledge, and to translate that knowledge into significant economic contributions to the State.
- ii. Provide research opportunities for both undergraduate and graduate students.
- iii. Foster interdisciplinary and collaborative research to provide a more broadly based student experience and a greater spectrum of solutions to the complex problems of the real world.
- iv. Maximize external funding by enhancing collaboration and providing strategic investments in areas of research with high promise.
- v. Utilize the University's research enterprise to establish deeper linkages with and provide economic advantage to Arizona's industry.

**3. EXPANDING COMMUNITY ENGAGEMENT AND WORKFORCE IMPACT**

**a. Goal**

- i. Foster civic engagement and improve economic competitiveness.

**b. Strategies**

- i. Promote greater use of distributed education programs located throughout the State.
- ii. Develop and advance community-based programs, substantively engaging university personnel, students, programs, and innovations in those communities to empower the creation of localized and distributed economic impact.
- iii. Assure that all campus units embrace the land-grant concept of learning from and extending knowledge to those external to the University.
- iv. Fundamentally realign our research, licensing, tech park, incubator, and tech transfer infrastructure in a single organization to assure maximum impact on Arizona's economy and benefit to Arizona industry.

**4. IMPROVING PRODUCTIVITY AND EFFICIENCY**

**a. Goal**

- i. Streamline operations and business practices to maximize efficiencies.

**b. Strategies**

- i. Consolidate and realign departments and non-academic units to improve the efficiency of support functions.
- ii. Complete the Mosaic Project to assure that business operations are more flexible, responsive, and secure.
- iii. Revise and redeploy Responsibility Centered Management to assure that both costs and income are accounted for.
- iv. Strategically reallocate and realign research funds to invest in areas of greatest promise and strength.

## RESOURCE ASSUMPTIONS

### Funding and FTE Budget Summary

Dollars in Thousands	FY2013
General Funds	\$ 270,723.8
Other Appropriated Funds	\$ 313,838.4
Other Non-appropriated Funds	\$ 970,852.7
Federal Funds	\$ 442,494.8
<b>Program Total</b>	<b>\$1,997,909.7</b>
Total State FTE Employees	6,374.1

### EXPANDING ACCESS AND ENHANCING EDUCATIONAL EXCELLENCE

(FY2014=Request; Out-Years=Incremental Costs; Constant/Nominal Dollars; In Thousands)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
<b>General Funds</b>	58,000.1	5,182.5	9,561.3	14,115.2	14,472.4
<b>Other Appropriated Funds</b>	0.0	14,122.7	14,828.9	15,570.3	16,348.9
<b>Building Renewal</b>	29,241.0	29,825.8	30,422.2	31,030.7	31,651.3
<b>Other Non-appropriated Funds</b>	11,138.9	8,766.2	13,412.5	13,814.8	14,229.2
<b>Federal Funds</b>	3,091.4	4,371.6	5,683.1	5,967.2	6,265.6
<b>Strategic Issue Total Funds</b>	101,471.4	62,268.8	73,908.0	80,498.2	82,967.4
<b>Total State FTE Employees</b>	522.6	218.1	306.4	354.3	369.1

### INCREASING ACHIEVEMENTS IN RESEARCH SCHOLARSHIP AND CREATIVE EXPRESSION

(FY2014=Request; Out-Years=Incremental Costs; Constant/Nominal Dollars; In Thousands)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
<b>General Funds</b>	22,663.6	2,783.2	4,407.5	6,096.9	6,229.5
<b>Other Appropriated Funds</b>	0.0	470.8	494.3	519.0	545.0
<b>Building Renewal</b>	15,703.5	16,017.6	16,337.8	16,664.8	16,997.9
<b>Other Non-appropriated Funds</b>	9,113.7	7,172.5	10,973.7	11,303.0	11,642.1
<b>Federal Funds</b>	6,698.1	9,471.9	12,313.1	12,929.0	13,575.5
<b>Strategic Issue Total Funds</b>	54,178.9	35,916.0	44,526.4	47,512.5	48,990.0
<b>Total State FTE Employees</b>	278.1	136.9	203.2	224.5	233.7

## COMMUNITY ENGAGEMENT AND WORKFORCE IMPACT

(FY2014=Request; Out-Years=Incremental Costs; Constant/Nominal Dollars; In Thousands)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
<b>General Funds</b>	9,775.9	1,151.7	1,858.0	2,592.5	2,650.2
<b>Other Appropriated Funds</b>	0.0	313.8	329.5	346.0	363.3
<b>Building Renewal</b>	6,498.0	6,627.9	6,760.4	6,895.6	7,033.5
<b>Other Non-appropriated Funds</b>	3,797.5	2,988.5	4,572.4	4,709.6	4,850.9
<b>Federal Funds</b>	2,447.4	3,460.9	4,499.1	4,724.0	4,960.3
<b>Strategic Issue Total Funds</b>	22,518.8	14,542.8	18,019.4	19,267.7	19,858.2
<b>Total State FTE Employees</b>	115.9	54.1	80.9	89.8	93.4

## IMPROVING PRODUCTIVITY AND EFFICIENCY

(FY2014=Request; Out-Years=Incremental Costs; Constant/Nominal Dollars; In Thousands)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
<b>General Funds</b>	4,760.0	479.9	833.0	1,200.2	1,229.1
<b>Other Appropriated Funds</b>	0.0	784.6	823.9	865.0	908.2
<b>Building Renewal</b>	2,707.5	2,761.7	2,816.8	2,873.1	2,930.6
<b>Other Non-appropriated Funds</b>	1,265.7	996.2	1,524.1	1,570.0	1,617.0
<b>Federal Funds</b>	644.0	910.7	1,184.2	1,243.3	1,305.3
<b>Strategic Issue Total Funds</b>	9,377.2	5,933.1	7,182.0	7,751.6	7,990.2
<b>Total State FTE Employees</b>	48.2	21.5	31.1	35.2	36.6

## Agency Summary

### UNIVERSITY OF ARIZONA - HEALTH SCIENCES CENTER

Ann Weaver Hart, President  
 Phone: (520) 621-5511  
 A.R.S. § 15-601

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
➤ INSTRUCTION	71,944.0	81,334.9	82,334.5
➤ ORGANIZED RESEARCH	118,579.9	130,433.6	134,113.2
➤ PUBLIC SERVICE	25,752.8	26,313.9	27,017.7
➤ ACADEMIC SUPPORT	85,552.3	81,499.9	83,111.1
➤ STUDENT SERVICES	2,740.7	3,079.0	3,130.7
➤ INSTITUTIONAL SUPPORT	3,332.2	5,411.0	5,440.6
➤ AUXILIARY PROGRAM	8,181.9	8,427.3	8,672.7
➤ COLLEGE OF MEDICINE, PHOENIX CAMPUS	15,647.6	20,575.2	28,575.2
<b>Agency Total:</b>	<b>331,731.4</b>	<b>357,074.8</b>	<b>372,395.7</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	56,397.7	61,585.3	69,585.3
Other Appropriated Funds	41,205.5	43,920.4	43,920.4
Other Non Appropriated Funds	234,128.2	251,569.1	258,890.0
<b>Total Funding</b>	<b>331,731.4</b>	<b>357,074.8</b>	<b>372,395.7</b>
<b>FTE Positions</b>	<b>3,407.2</b>	<b>3,509.9</b>	<b>3,642.4</b>

**Program Summary**

**INSTRUCTION**

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	6,034.6	7,250.6	7,250.6
Other Appropriated Funds	36,091.3	39,252.8	39,252.8
Other Non Appropriated Funds	29,818.1	34,831.5	35,831.1
<b>Total Funding</b>	<b>71,944.0</b>	<b>81,334.9</b>	<b>82,334.5</b>
<b>FTE Positions</b>	<b>1,101.1</b>	<b>1,124.3</b>	<b>1,149.4</b>

- ◆ **Goal 1** To attain a level of tenured/tenure eligible faculty that is effective in providing students with the high quality of instruction they deserve. Were unable to delete measures 1 & 2. They are duplicates of Goal 2 measures 1,5,6)

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of Degrees Granted BA/BS and MA/MS	504	493	585	574	592
Number of degrees granted-PhD	42	46	43	48	48

**Explanation:** Perform. Measure Description change to reflect new IPEDS categories.

SCH/Faculty FTE (T/TE)	275	289	284	298	313
External funding obtained/FTE Faculty (T/TE)	577,782	607,800	575,773	598,800	622,800
Degrees/FTE faculty (T/TE)	2.6	2.8	2.9	3.1	3.2

- ◆ **Goal 2** To increase productivity, efficiency, and effectiveness.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of degrees granted MA/MS	89	81	123	116	120
Graduating seniors who rate their overall experience as good or excellent	NA	98	98	98	98
Full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty (percentage)	76	77	74	75	76
Total number of degrees granted	755	772	883	899	938
Bachelor degrees granted	415	412	462	458	473
Doctoral Professional Practice Degrees granted	209	233	255	278	297

**Explanation:** Perform. Measure Description change to reflect new IPEDS categories.

Doctoral Research/Scholarship Degrees granted	42	46	43	48	48
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**Explanation:** Perform. Measure Description change to reflect new IPEDS categories.

Average number of years taken to graduate for students who began as freshman	4.5	4.4	4.4	4.4	4.4
Administration as a percent of total cost	2.1	1.9	2.1	1.9	1.7
Agency staff turnover	14.9	15.4	15.5	15.5	15.5
Gifts, grants, and contracts (millions)	234	246	246	256	266
Grants and contracts expenditures (millions)	172	181	174	181	188

**Program Summary**

**ORGANIZED RESEARCH**

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	3,510.5	3,652.1	3,652.1
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	115,069.4	126,781.5	130,461.1
<b>Total Funding</b>	<b>118,579.9</b>	<b>130,433.6</b>	<b>134,113.2</b>
<b>FTE Positions</b>	<b>1,106.6</b>	<b>1,137.6</b>	<b>1,176.2</b>

◆ **Goal 1** To promote excellence in basic and clinical research, patient care, education, and training.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Regional, national, and international awards, honors, and prizes received by students, alumni, faculty, and staff	593	605	526	536	546
Patients rating physician skill as excellent in satisfaction survey (percent)	90.6	90.2	90.8	90.4	90.8

◆ **Goal 2** To establish a stable funding base to support research, education, and service activities

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Total Research & Development Expenditures in thousands	160,136	172,380	157,356	174,250	213,500

◆ **Goal 3** To provide education and training programs for regional, national, and international health care professionals, health care industry personnel, and the public.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Training programs/ workshops/lectures	133	125	472	495	520

**Program Summary**

PUBLIC SERVICE

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	2,779.9	2,651.4	2,651.4
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	22,972.9	23,662.5	24,366.3
<b>Total Funding</b>	<b>25,752.8</b>	<b>26,313.9</b>	<b>27,017.7</b>
<b>FTE Positions</b>	<b>226.0</b>	<b>231.4</b>	<b>238.6</b>

◆ **Goal 1** To provide quality, accessible poison and medication-related emergency treatment assistance 24 hours a day.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Poison Control call volume per year (in thousands)	60	63	51	53	56
Accredited by the American Association for Poison Control Center Certification as a Regional Poison Control Center.	Yes	Yes	Yes	Yes	Yes

◆ **Goal 2** To provide specialty patient care in rural communities and secure State institutions.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number served through Telemedicine (clinical consultations)	113,013	115,000	83,000	90,000	115,000



**Program Summary**

ACADEMIC SUPPORT

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8243  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	29,983.8	27,029.6	27,029.6
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	55,568.5	54,470.3	56,081.5
<b>Total Funding</b>	<b>85,552.3</b>	<b>81,499.9</b>	<b>83,111.1</b>
<b>FTE Positions</b>	<b>723.3</b>	<b>710.6</b>	<b>723.3</b>

◆ **Goal 1** To offer education programs that meet standards of excellence

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of students passing Step I of the US Medical Licensing Exam on the first try	88	93	98	92	95
Percent of Students passing Step II of the US Medical Licensing Exam on the first try.	97	95	98	95	98

◆ **Goal 2** To assure access to information resources in the health sciences on-site and off-site.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Resources (print and non-print) circulated from the collection.	5,114	4,733	4,417	3,816	3,295
Resources (print and non-print) used in the library (in thousands)	9.9	7.3	8.2	6.8	5.6

◆ **Goal 3** To teach students and faculty the most effective methods of accessing and managing health sciences information

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of Classes/workshops taught	152	163	122	174	183
Number of participants classes/workshops	4,016	4,297	3,160	4,618	4,849

◆ **Goal 4** To support alternative delivery modes of education for Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of Online Graduate Degrees	19	23	20	24	27
Number of Online Graduate Certificates	9	11	18	27	36

**Program Summary**

**STUDENT SERVICES**

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-601

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	1,116.5	1,214.3	1,214.3
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	1,624.2	1,864.7	1,916.4
<b>Total Funding</b>	<b>2,740.7</b>	<b>3,079.0</b>	<b>3,130.7</b>
<b>FTE Positions</b>	<b>23.5</b>	<b>24.7</b>	<b>25.2</b>

◆ **Goal 1** To enroll students well prepared for AHSC work.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Number of students enrolled in pre-pharmacy	457	480	444	466	490
Number of students enrolled in pre-nursing	706	741	714	750	787

◆ **Goal 2** To enroll diverse students using the diverse in its broadest meaning.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
% Undergraduate Minority Students	44	45	48	49	50
% Graduate & First Professional Minority Students	35	36	35	36	37

**Program Summary**

**INSTITUTIONAL SUPPORT**

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-601

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
General Funds	2,439.0	3,879.7	3,879.7
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	893.2	1,531.3	1,560.9
<b>Total Funding</b>	<b>3,332.2</b>	<b>5,411.0</b>	<b>5,440.6</b>
<b>FTE Positions</b>	<b>33.3</b>	<b>55.4</b>	<b>55.9</b>

◆ **Goal 1** To enhance community support for the work of the University in the larger community.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Endowment Assets (in thousands)	152,032	152,032	159,187	162,530	165,943
Annual Giving (in thousands)	51,840	53,280	42,803	44,087	45,410

◆ **Goal 2** To attract and engage a diverse and high quality workforce

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>
Minority employees in administrative, faculty, professional and classified positions (percent)	26	27	26	26	27

**Program Summary**

AUXILIARY PROGRAM

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0
Other Non Appropriated Funds	8,181.9	8,427.3	8,672.7
<b>Total Funding</b>	<b>8,181.9</b>	<b>8,427.3</b>	<b>8,672.7</b>
<b>FTE Positions</b>	<b>83.0</b>	<b>85.5</b>	<b>88.4</b>

◆ **Goal 1** To provide affordable housing and a residential living experience conducive to academic success and social well-being.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of new freshmen living in residence halls	68	68	66	70	72
Total number of students living in residence halls	366	370	403	427	439

◆ **Goal 2** To promote health, wellness and safety by providing quality medical, mental health care, and health education to the student community.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of visits to Campus Health's AHSC satellite clinic (medical and counseling and psychological services)	253	30,700	264	300	300

◆ **Goal 3** To promote health, wellness and safety by providing quality medical care to rural Arizona.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number served through Telemedicine (clinical consultations)	113,013	115,000	83,000	90,000	115,000

◆ **Goal 4** To serve students with learning disabilities.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Number of students served by the Strategic Alternative Learning Techniques (SALT) Center	42	41	52	51	51

**Program Summary**

COLLEGE OF MEDICINE, PHOENIX CAMPUS

Rick Kroc, Associate Vice Provost  
 Phone: (520) 621-8543  
 A.R.S. § 15-1601

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
General Funds	10,533.4	15,907.6	23,907.6
Other Appropriated Funds	5,114.2	4,667.6	4,667.6
Other Non Appropriated Funds	0.0	0.0	0.0
<b>Total Funding</b>	<b>15,647.6</b>	<b>20,575.2</b>	<b>28,575.2</b>
<b>FTE Positions</b>	<b>110.4</b>	<b>140.4</b>	<b>185.4</b>

◆ **Goal 1** To develop, maintain, and continuously evaluate the educational program leading to the M.D. degree.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Percent of students passing Step I of the United States Medical Licensing Exam on the first try. (in Percent)	93	95	100	95	95
Percent of students passing Step II of the United States Medical Licensing Exam on the first try	95	95	100	95	95

◆ **Goal 2** To provide educational experiences that promote lifelong learning, critical thinking skills, and career decisions for the breadth of disciplines needed throughout our State, emphasizing cultural competency and diversity.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Regional, national, and international awards, honors, and prizes received by students, alumni, faculty, and staff	28	30	42	44	46
Total Research & Development Expenditures in thousands	10,542	11,205	8,330	9,225	30,000

◆ **Goal 3** To attract and maintain a diverse, highly qualified faculty that understands and delivers the complex training necessary for our next generation of physicians in addition to functioning as excellent leaders and collaborators with the diverse and excellent infrastructure of investigative research presently ongoing within the State and region.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Minority employees in administrative, faculty, professional and classified positions (percent)	26	27	26	26	27

◆ **Goal 4** To be the leader for the State's citizens in designing, mentoring, and monitoring all facets of health care delivery in society and to offer an education milieu to share this information with the populace

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>
Training programs/ workshops/lectures	67	70	84	88	90

# Arizona Department of Veterans' Services

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# ARIZONA DEPARTMENT OF VETERANS' SERVICES

Joey Strickland, Director

## **Five Year Strategic Plan**

## Arizona Department of Veterans' Services

The ADVS mission is “to enrich and honor Arizona’s veterans and their families through education, advocacy and service.”

### Agency Description

Ensuring that Arizona veterans receive their rightful benefits has a profoundly stabilizing effect on the state’s economy, especially during recent economic downturns. As a direct result of its veteran population, nearly \$2.8 billion in federal funds entered into the Arizona economy in FY 2012. Additionally, federal benefits also prevent veterans from becoming an economic drain on already taxed social service programs in the state.<sup>1</sup>

The need for Arizona Department of Veterans’ Services can be found in two simple truths:

- Veterans’ benefits are not automatic; and
- Laws, rules and regulations governing eligibility for entitlements are varied, complicated, and subject to frequent change.

The Director's Office oversees five divisions: Administrative Services, Arizona State Veterans' Home, Fiduciary, Veterans Services, and State Veterans' Cemeteries. Offices are located in 15 different cities: Phoenix, Bullhead City, Casa Grande, Chandler, Chinle, Flagstaff, Kingman, Lake Havasu City, Prescott, Safford, Show Low, Sierra Vista, Surprise, Tucson, and Yuma.

The core business of the Arizona Department of Veterans' Services (ADVS) continues to be advocating for veteran entitlements. All other agency services are derived from this central premise. Veterans accessing their rightful benefits help stabilize the Arizona economy. Additionally, veterans who are able to obtain veteran benefits are not a drain on

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<sup>1</sup>The federal benefits reported do not include certain benefits (such as home loan guaranties, certain vocational rehabilitation benefits, and life insurance).



overburdened state social services. When considering all federal funds that enter into the Arizona economy, \$2.79 billion was received in Arizona as a direct result of veterans living in the state (which includes military retiree pay).

ADVS's largest Division is the Arizona State Veteran Home Program, with Homes operating in Phoenix and Tucson. The Phoenix Home opened in 1995 and is a self-funded skilled nursing facility that provides long-term care services to veterans and their spouses. The Tucson Home opened on Veterans' Day 2011 and received its VA Recognition Survey June 12, 2012; allowing it to become fully operational.

The Department also serves as financial guardian and/or conservator to incapacitated veterans and their eligible dependents. ADVS operates a state veteran cemetery in Sierra Vista. The agency is also designated as the State Approving Agency, working with institutions that provide education and training to veterans with educational benefits. The agency administers the Military Family Relief Fund to support Arizona veterans and their families with financial hardships due to their deployments to combat zones. A dedicated coordinator on staff also monitors statewide services to eliminate homelessness amongst Arizona veterans.

ADVS also administered the "Troops to Teachers" program to help military personnel transition to new careers as public school teachers, but that responsibility is being transferred out of the agency as of October 1, 2012.

*"Proudly serving Arizona's veterans as they have served us."*

# Values

<p><b><u>Open &amp; Honest Communications</u></b></p> <p>We connect &amp; engage with our customers, partners, stakeholders &amp; teammates to understand their needs &amp; provide services.</p> <p>To accomplish this we:</p> <ul style="list-style-type: none"> <li>• Are attentive &amp; comprehensive listeners</li> <li>• Communicate across boundaries</li> <li>• Provide accurate &amp; factual reporting</li> <li>• Use positive body language</li> <li>• Understand the value of non-verbal communications</li> </ul>	<p><b><u>Teamwork</u></b></p> <p>Together Everyone Achieves More for Veterans</p> <ul style="list-style-type: none"> <li>• We share knowledge and talent to reach a common goal &amp; build bench strength</li> <li>• We empower one another by generating ideas &amp; making decisions</li> <li>• We build &amp; develop creative, optimistic teams that result in high morale &amp; performance</li> </ul>
<p><b><u>Customer Focus</u></b></p> <p>Recognition that our Customer is <u>THE</u> purpose of our work</p> <p>To accomplish this, our employees must be:</p> <ul style="list-style-type: none"> <li>• Dedicated</li> <li>• Willingly assumes responsibility</li> <li>• Meets deadlines</li> <li>• Places Customer interest first</li> <li>• Innovative</li> <li>• Offers creative suggestions</li> <li>• Never say “We’ve always done it that way</li> <li>• Willing to take reasonable risks with seeking permission</li> <li>• Results Oriented</li> <li>• See things through to the end</li> <li>• Not afraid to fail</li> <li>• Know when to seek help</li> </ul>	<p><b><u>Integrity within ADVS</u></b></p> <p>We adhere to the <u>Highest Level of Excellence</u> by embracing honor, dedication &amp; dignity.</p> <p>To accomplish this, our employees will:</p> <ul style="list-style-type: none"> <li>• Safeguard confidential information</li> <li>• Always do what we say</li> <li>• Always to the right things</li> </ul>

## Agency Level Strategic Issues

In addition to providing services to veterans in its five program areas, the agency is gearing its long-range plans to one key strategic issue.

### Strategic Issue:

***Veteran population estimates indicate that over 48% of all veterans living in the state in the year 2020 will be older than 65.***

In order to serve the needs of this aging veteran population, ADVS has dedicated an Assistant Deputy Director to construction services to focus entirely on the construction of cemeteries and state veteran homes in underserved areas.

- 1. Burial benefits are available to veterans, but there are only three Arizona locations where veterans may be interred at no cost. Both in-ground burials and columbaria niches (for cremated remains) are available in north Phoenix and in Sierra Vista. Columbaria niches are available in Prescott.***

A national veteran cemetery is located in north Phoenix and a state-operated cemetery was opened in Sierra Vista in 2002. The national veterans cemetery is located in north Phoenix, which is difficult for families outside the metropolitan area to access. Veterans' families who aren't able to travel to one of the three locations must purchase cemetery plots or columbaria niches from local cemeteries, which is an avoidable cost to the family.

The agency is committed to building and equipping cemeteries, which are funded by the VA State Cemetery Grant Program. The burial allowance for veterans being interred is used for the cost of operations.

The Assistant Deputy Director is consulting with the Navajo Nation as it applies for its own VA-funded cemetery (the first of its kind in the nation). The cemetery will be located on tribal land (Chinle, AZ) and operations will be the responsibility of the Nation. Offering this expertise does not require additional agency resources, and is a courtesy to the Navajo Nation in support of the veteran population living in northeast Arizona.

The Assistant Deputy Director also advises with other communities wishing to acquire land for use as a state veteran cemetery (such as Marana, Kingman, Flagstaff, and Yuma).

Goal: Increase the number of no-cost interment spaces available to veterans and their families.

Strategies:

- Coordinate with communities willing to donate land to ADVS for the purpose of building a cemetery. Upon acquisition of the land, apply for 100% funding from the VA State Cemetery Grant Program to construct additional cemeteries.
  - The City of Marana has coordinated the donation of land for use as a cemetery and is currently working with the Assistant Deputy Director to transfer the land. Upon acquisition of the land, the agency will apply for VA State Cemetery Grant Program to fully fund the building and equipping of that facility. The cemetery generates revenue from the VA when a veteran is interred, which makes its operations financially sustainable. The facility is earmarked for construction in 2015. The design will be for 2600 columbaria niches (for cremated remains) and 2600 in-ground burials.
  - A cemetery will also be built near Flagstaff, AZ in FY 2016. The land is being conveyed now by the Corps of Engineers. That cemetery will be the same size as the Marana cemetery.
  
- Expand the state veteran cemetery in Sierra Vista.  
(Cemetery designs for new facilities meet the needs of the veterans within a 75-mile radius for a minimum of 20 years.)
  - The cemetery in Sierra Vista is now beginning to open Phase 2 of the Master Plan in order to accommodate the rate of interments in the southern part of the state. The expansion is completely funded by the VA State Cemetery Grant Service program. Groundbreaking for the expansion is September 17, 2012.

**Performance Measure:**

2013: Expand the Sierra Vista cemetery (2600 columbaria niches will be added to the facility).

Opening additional state veteran cemeteries:

- 2014: Build a new state veteran cemetery in Marana (2600 columbaria and 2600 in-ground burial sites).
- 2015: Build a new state veteran cemetery in Flagstaff (2600 columbaria and 2600 in-ground burial sites).

**2. Based on a formula developed by the VA, Arizona needs 1520 long-term care beds<sup>2</sup> in order to serve its veteran population in the year 2020.**

Arizona veterans requiring skilled nursing care are underserved in Arizona. The U.S. Department of Veterans Affairs (VA) has acknowledged Arizona's need for additional nursing home beds based on the number of veterans living in the state. The VA provides grants to states to fund 65% of the cost to build state-operated veteran homes. Once operational, the VA also pays a per diem for veterans who are residents of the facility.

The agency opened a 200-bed skilled nursing care facility in Phoenix in 1995. The second facility in Tucson opened on Veterans' Day 2011 and received its last approval in April 2012 necessary to become fully operational.

Veterans of current conflicts have more service-connected disabilities than earlier war eras. The U.S. Department of Veterans Affairs (VA) has formed "poly-trauma units" to speak to the unique needs of severely wounded personnel, and one such unit is located at the VA hospital in Tucson. The Tucson home was designed to provide long-term care for the more traditional "elderly" resident, as well as for young veterans who may require care over several decades.

To address the unique care needs of this veteran population and in keeping with skilled nursing home culture changes, the Tucson Home environment and delivery of services is centered around the needs of the veteran. The facility was built on land donated by the VA and ADVS has developed a strong alliance with the Southern Arizona VA Health Care System to accept admissions directly from the Tucson VA.

Goal: Increase the number of state veteran home beds available to veterans and their spouses.

Strategies:

**Performance Measure (short term):** Opening additional buildings in the Tucson Vet Home campus until the facility is fully operational.

2013: Opening the 2<sup>nd</sup> building August 2012.

2013: Opening the 3<sup>rd</sup> building by January 2013.

2013: Opening the 4<sup>th</sup> and final resident-care building by June 2013.

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<sup>2</sup> Federal Register - Vol. 75, no. 131, July 10, 2009

**Performance Measure (long term):** Applying for grants to build additional state veteran homes in other communities as land is acquired.

2016: Build a 90-bed state veteran home near Flagstaff, Arizona (90 beds)

2018: Build a 60-bed state veteran home in another location in western Arizona (Kingman or Yuma, depending on which is able to donate the land for that purpose).

**Resource Assumptions:**

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Appropriation	Appropriation	Budget Request	Estimate	Estimate	Estimate
<b>Full-time Equivalent (FTE) Positions</b>	<b>500.3</b>	<b>500.3</b>	<b>500.3</b>	<b>507.3</b>	<b>507.3</b>	<b>507.3</b>
<b>General Fund</b>	<b>7,075.2</b>	<b>5,212.8</b>	<b>5,319.9</b>	<b>5,520.5</b>	<b>5,783.7</b>	<b>5,783.7</b>
<b>Other Appropriated Funds</b>						
<b>Veterans' Conservatorship Fund</b>	<b>882.3</b>	<b>884.1</b>	<b>884.1</b>	<b>884.1</b>	<b>884.1</b>	<b>884.1</b>
<b>State Home Veterans' Trust Fund</b>	<b>19,742.8</b>	<b>27,614.7</b>	<b>27,614.7</b>	<b>27,614.7</b>	<b>27,614.7</b>	<b>27,614.7</b>
<b>Other Non-Appropriated Funds</b>	<b>3,532.7</b>	<b>2,189.9</b>	<b>1,353.9</b>	<b>1,353.9</b>	<b>1,353.9</b>	<b>1,353.9</b>
<b>Federal Funds</b>	<b>549.0</b>	<b>509.3</b>	<b>392.6</b>	<b>392.6</b>	<b>392.6</b>	<b>392.6</b>
<b>Total Agency Funds</b>	<b>31,782.0</b>	<b>36,410.8</b>	<b>35,565.2</b>	<b>35,765.8</b>	<b>36,029.0</b>	<b>36,029.0</b>
<b>Note: Amounts are in thousands (000s)</b>						

Prepared August 23, 2012

## Agency Summary

### ARIZONA DEPARTMENT OF VETERANS' SERVICES

Joey Strickland, Director  
 Phone: (602) 255-3373  
 A.R.S. §§ 41-601 et seq.

#### Agency Summary: (\$ Thousands)

Program	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
➤ ADMINISTRATION	4,815.1	3,232.1	10,066.1	3,360.7
➤ VETERANS' CONSERVATORSHIP / GUARDIANSHIP	1,149.2	1,304.0	1,304.0	1,304.0
➤ VETERANS' SERVICES	2,886.1	2,848.1	2,848.1	2,848.1
➤ STATE VETERANS' HOMES	21,183.2	27,881.7	27,614.7	27,614.7
➤ STATE VETERANS' CEMETERIES	466.8	459.2	459.2	459.2
<b>Agency Total:</b>	<b>30,500.4</b>	<b>35,725.1</b>	<b>42,292.1</b>	<b>35,586.7</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	7,155.4	5,212.8	5,212.8	5,212.8
Other Appropriated Funds	17,211.3	28,498.8	28,498.8	28,498.8
Other Non Appropriated Funds	6,133.7	2,013.5	8,580.5	1,875.1
<b>Total Funding</b>	<b>30,500.4</b>	<b>35,725.1</b>	<b>42,292.1</b>	<b>35,586.7</b>
<b>FTE Positions</b>	<b>506.8</b>	<b>506.8</b>	<b>506.8</b>	<b>513.8</b>

**Program Summary**

ADMINISTRATION

Robert Barnes, Deputy Director  
 Phone: (602) 255-3373  
 A.R.S. §§ 41-601 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,695.3	1,669.2	1,669.2	1,669.2
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	3,119.8	1,562.9	8,396.9	1,691.5
<b>Total Funding</b>	<b>4,815.1</b>	<b>3,232.1</b>	<b>10,066.1</b>	<b>3,360.7</b>
<b>FTE Positions</b>	<b>42.8</b>	<b>42.8</b>	<b>42.8</b>	<b>49.8</b>

- ◆ **Goal 1** To assist, supervise, and monitor all Arizona educational institutions by providing quality and timely program approvals and technical assistance so that veterans can obtain their educational goals utilizing their Montgomery G.I. Bill benefits.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of Program approvals accepted by the VA	100	100	100	100	100	100

**Explanation:** Metrics are from the last complete federal FY (Oct 1 - Sept. 30)

The rating achieved on the State Approving Agency self-evaluation and from the Joint Peer Review Group. (Satisfactory is the highest possible rating the state can achieve.)	Marginal	Satis.	Satis.	Satis.	Satis.	Satis.
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**Explanation:** Metrics are from the last complete federal FY (Oct 1 - Sept. 30)

- ◆ **Goal 2** To ensure the availability of appropriated funds to benefit veterans.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
The average expenditure of general funds per veteran living in the state. The measurement is expressed in dollars. The formula used is the total amount of general funds divided by the number of Arizona veterans projected by the US Department of Veterans Affairs (VA) as of 9/30 within the fiscal year.	9.65	12.93	9.75	12.93	9.67	10.13

**Explanation:** Using veteran population numbers from the VA Office of the Actuary.

Expenditures of federal dollars in Arizona by the U.S. Department of Veterans Affairs (in millions of dollars)	2,128	2,139	2,768	2,795.7	2,823.6	2,851.2
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**Explanation:** VA expenditures are reported as of 9/30 of the previous year (federal fiscal year end).

The number of federal dollars per veteran entering the Arizona economy (expressed as dollars per Veteran per year)	6,156	5,975	7410	7640	7886	8142
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**Explanation:** Expressed in terms of actual dollars; no "multiplier effect" has been included in the reported figure.



Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Total federal dollars (military retiree pay for veterans residing in Arizona, VA expenditures in Arizona, and Veterans Employment Funding in Arizona from the Department of Labor) entering the Arizona economy. (expressed in BILLIONS of dollars.)	3.43	3.44	3.7	3.74	3.77	3.81

**Explanation:** Reported federal funds are a direct result of veterans living in Arizona.

Administration as a percentage of total agency budget	3.35	5.0	3.35	3.1	3.2	3.2
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◆ **Goal 3** To recruit, develop, and retain a capable and responsible staff dedicated to excellent customer service. Projections are difficult at this time because statewide personnel reform measures are being implemented September 2012.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of agency staff turnover (covered positions) as reported by the Arizona Department of Administration	29.3	30	29.7	30	30	30

**Explanation:** Long-term care staff turnover has historically increased the agency's rate.

◆ **Goal 4** To assist eligible military personnel transition into a new career as a public or charter school teacher.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of individuals registered in the program. Troops to Teachers will be assumed by the regional office in Colorado, effective 10/1/12. No further metrics from this program will be required.	106	125	273	N/A	N/A	N/A

**Explanation:** This federal activity ends at the end of FFY 2012.

Number of veterans hired as teachers. Troops to Teachers will be assumed by the regional office in Colorado, effective 10/1/12. No further metrics from this program will be required.	24	25	52	N/A	N/A	N/A
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**Explanation:** This federal activity ends at the end of FFY 2012.

**Program Summary**

VETERANS' CONSERVATORSHIP / GUARDIANSHIP

Clark Leuthold, Fiduciary Division Manager, Principal Fiduciary

Phone: (602) 248-1554

A.R.S. §§ 14-3601, 14-5311, 14-5410, 14-5651, and 41-601 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	451.8	419.9	419.9	419.9
Other Appropriated Funds	697.4	884.1	884.1	884.1
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,149.2</b>	<b>1,304.0</b>	<b>1,304.0</b>	<b>1,304.0</b>
<b>FTE Positions</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>

◆ **Goal 1** To maximize our clients' quality of life through the delivery of fiduciary services to our clients.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of annual reports of guardian submitted by the due dates	99	100	100	100	100	100
Number of client visits and contacts	3,000	3,000	2500	2530	2596	2772

**Explanation:** Each client must have a visit at least quarterly and additional visits as needed.

◆ **Goal 2** To maintain fiduciary licensure from the Arizona Supreme Court.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Licensed fiduciary to client ratio.	1:80	1:30	1:45	1:34	1:32	1:30

**Explanation:** The division had 5 licensed fiduciaries at fiscal year end.

Human service specialist to client ratio	1:35	1:35	1:34	1:37	1:40	1:42
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**Explanation:** The caseload for social workers in the division.

◆ **Goal 3** To acquire and control client assets, invest and expend client funds prudently, and to accurately and timely report client financial transactions to the courts.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of annual accountings submitted by the due dates	100	100	100	100	100	100
Percent of annual accountings approved on first submission	100	100	100	100	100	100

◆ **Goal 4** To meet clients' needs.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Active caseload at end of fiscal year	240	250	204	220	236	252

**Explanation:** Maricopa County Superior Court ended the agency's probationary status December 2011.

Decedent caseload at end of fiscal year	19	30	20	18	17	16
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◆ **Goal 5** To manage and protect clients' assets held by ADVS.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
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Aggregate amount of protected clients' assets at end of fiscal year (in millions).	23	23	20.93	20.23	21.51	22.78
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**Explanation:** Assuming \$85,000 per client.

Program Summary	
VETERANS' SERVICES	
Mike Klier, Asst. Deputy Director	
Phone: (602) 255-3373	
A.R.S. §§ 41-603 et. seq.	

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	2,886.1	2,848.1	2,848.1	2,848.1
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>2,886.1</b>	<b>2,848.1</b>	<b>2,848.1</b>	<b>2,848.1</b>
<b>FTE Positions</b>	<b>57.0</b>	<b>57.0</b>	<b>57.0</b>	<b>57.0</b>

◆ **Goal 1** To increase the VA monetary awards generated by claims and appeals filed by Veterans Benefits Counselors.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Monetary awards reported on claims and appeals filed by the state veterans' benefits counselors on behalf of Arizona veterans (expressed in millions of dollars for award the Department expects to receive)	274.5	310	285.3	293.2	296.7	300.1

◆ **Goal 2** To achieve the highest level of customer satisfaction in regards to services being offered and how those services are delivered.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percentage of customers rating the overall delivery of service as 1 to 3, using a 1-5 scale where 1 represents "Extremely Satisfied" and 5 represents "Extremely Dissatisfied."	90	90	81	90	90	90

**Explanation:** The survey has been redesigned with a numeric score.

**Program Summary**

STATE VETERANS' HOMES

Robert Barnes, Deputy Director  
 Phone: (602) 255-3373  
 A.R.S. § 41-608.01

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,849.7	0.0	0.0	0.0
Other Appropriated Funds	16,513.9	27,614.7	27,614.7	27,614.7
Other Non Appropriated Funds	2,819.6	267.0	0.0	0.0
<b>Total Funding</b>	<b>21,183.2</b>	<b>27,881.7</b>	<b>27,614.7</b>	<b>27,614.7</b>
<b>FTE Positions</b>	<b>380.0</b>	<b>380.0</b>	<b>380.0</b>	<b>380.0</b>

◆ **Goal 1** To achieve recognition for excellence in long term care.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
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The Centers for Medicare & Medicaid Service (CMS) created the Five-Star Quality Rating System to help consumers, their families, and caregivers compare nursing homes more easily. The star rating provided is the Quality Measures Indicator for the Home, which considers information on 9 different physical and clinical measures for residents. It is an industry standard for assessing of how well it is caring for the residents.	N/A	A	4	4	4	4
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JUSTIFICATION: The letter grade system is no longer available for every department within a skilled nursing facility and is not available in Tucson. The CMS Quality Rating is available to all facilities nationwide.

**Explanation:** The Tucson Home has not yet received a quality measurement rating from CMS.

◆ **Goal 2** To maintain financial self-sufficiency, operating the facility without the use of Arizona taxpayer funds.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
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Average annual occupancy rate (in percent)	85.8	90	83.7	80	80	80
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**Explanation:** The Tucson facility will report separately.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Annual cost of temporary clinical staff (commonly referred to as "nurse registry") in thousands of dollars.	0	0	177.96	13.1	13.1	13.1
RECOMMEND CHANGE TO "AVERAGE STAFFING PER PATIENT DAY"						
The cost of registry was a "legacy" measurement started during the Symington administration when the State Veteran Home Program in Phoenix was heavily reliant on general funds and registry costs were a major expenditure. The rates for room and board have been increased to cover operating costs, and reporting this one expenditure does not reflect the financial self sufficiency of the Home. The average staffing per patient day will need to be separately reported by both Phoenix and Tucson facilities.						
Average cost per patient day (in dollars) for the Phoenix veteran home.	244.21	255	268.27	281.34	281.34	281.34

**Explanation:** Ancillary and salary costs for ASVH divided by the total census days.

Program Summary	
STATE VETERANS' CEMETERIES	
Mike Klier, Asst. Deputy Director	
Phone: (602) 255-3373	
A.R.S. § 41-601.D	

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	272.5	275.6	275.6	275.6
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	194.3	183.6	183.6	183.6
<b>Total Funding</b>	<b>466.8</b>	<b>459.2</b>	<b>459.2</b>	<b>459.2</b>
<b>FTE Positions</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

◆ **Goal 1** To plan for cemetery construction required to meet the needs of Arizona veterans and their eligible dependents.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Number of casketed burials for both veterans and dependents (expressed as vets/dependents)	112/41	120/45	115/16	120/30	131/40	135/50
Number of columbarium inurnments (expressed as veterans/dependents)	208/61	215/60	187/26	215/50	220/60	225/70

# Veterinary Medical Examining Board

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

Janice K. Brewer  
Governor



Victoria Whitmore  
Executive Director

## ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

1400 W. Washington, Room 240, Phoenix, Arizona 85007-2937  
Phone (602) 364-1-PET (364-1738) FAX (602) 364-1039  
WWW.VETBOARD.AZ.GOV

### ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD STRATEGIC PLAN FY2013-2018

#### EXECUTIVE SUMMARY

The mission of the Arizona State Veterinary Medical Examining Board is to protect the health, safety and welfare of the general public, as well as the welfare of animals, by enforcing the licensing standards prescribed by statute for the licensing and regulation of veterinarians, veterinary technicians, veterinary premises and animal crematories.

One program is operated by the Board: Licensing and Regulation. In FY12, 2118 veterinarians, 800 premises, and 19 animal crematories were licensed and 958 Certified Veterinary Technicians (CVTs) were certified.

Represented by a nine-member Board appointed by the Governor, the Board is a 90/10 agency, relying primarily on licensing and certification fees. The Board retains 90% of the fees and deposits 10% into the State's General Fund. The budget appropriation in FY13 is \$456,600 with 4.5 full-time-equivalent employees.

The most significant issues that the Board will address over the next few years involve the increased enhancement of information technology strategies to meet the needs and expectations of the public and our licensees while becoming more efficient and cost-effective. We will continue to uphold the highest standards of licensing and enforcement to protect the health of the public and Arizona's animals while providing professional, customer-focused service.



## MISSION

The mission of the Arizona State Veterinary Medical Examining Board is to protect the health, safety and welfare of the general public, as well as the welfare of animals, by enforcing the licensing standards prescribed by statute for the licensing and regulation of veterinarians, certified veterinary technicians, veterinary premises and animal crematories.

## AGENCY DESCRIPTION

The Board is responsible for licensing veterinarians, veterinary medical premises and animal crematories, and provides a voluntary certification for veterinary technicians. It administers examinations for veterinarians and veterinary technicians, and inspects all fixed locations for veterinary medical premises and animal crematories. The Board also investigates complaints and violations, and takes appropriate regulatory disciplinary action to ensure the public's protection.

The Board consists of nine members appointed by the Governor for four-year terms.

- 5 members are required to be veterinarians
- 1 member is required to be a Certified Veterinary Technician
- 3 members are from the general public (one of which represents the livestock industry)

Per A.R.S. § 32-2237, the Board has appointed two Investigative Committees to make recommendations to the Board; each consists of three licensed veterinarians and two members of the general public. The committees may interview witnesses, gather evidence and otherwise investigate any allegations accusing any person of violating the administrative rules and statutes that pertain to the Arizona State Veterinary Medical Examining Board.

The Board's staff consists of the Executive Director, Investigator, Licensing Administrator, Premise Inspector, and Administrative Assistant. Legal representation is provided through the Office of the Arizona Attorney General.

One program is operated by the Board: Licensing and Regulation. In FY12, 2118 veterinarians, 800 premises, and 19 animal crematories were licensed and 958 Certified Veterinary Technicians (CVTs) were certified.

The Board is a 90/10 agency, relying primarily on licensing and certification fees. The Board retains 90% of the fees and deposits 10% into the State's General Fund.

Our core values are:

- ✓ Protection of the public and animals of our state
- ✓ Responsible fiscal management
- ✓ Professional, accurate, and timely courteous customer service
- ✓ Efficient and innovative practices
- ✓ Effective and responsive communication



## STRATEGIC ISSUES & STRATEGIES

### Issue #1

Increase license renewal options and expedite the renewal process.

Every two years, all licenses and certifications are required to be renewed during the same time period. Offering our licensees the convenience of renewing online will also significantly lessen the staff and equipment resources expended. Efforts have been initiated to contract for services to create an online license renewal system; it is expected that after initial use, the system will need further work to enhance its capabilities. Once licensees create user accounts, we will be able to add components to further increase our abilities to communicate and interact with them.

### Issue #2

Replace outdated computer equipment, modify database for enhanced reporting capabilities, and invest in more efficient technologies.

This has been an ongoing process with three of the five office computers updated; however software updates are also needed. The Board purchased laptops from surplus in FY10 for the Board members to use with downloaded meeting information. The move to laptops, utilizing the cloud, and a paperless system has been accepted well and has saved on resources.

Our database is aging and is in critical need of enhancement in order to effectively report on various key performance measures and allow for additional data to be recorded.

We will also explore the use of a tablet for use by the Premise Inspector, which we expect will be much more efficient and cost effective than the current practice of a multiple-page paper form. This would offer the ability to immediately provide inspection results to the premise staff via email.

A feasibility study will be conducted to determine the value of purchasing a high volume commercial scanner to transfer multiple closed complaint, application, and premise license files to electronic files. We currently house, and pay rent for space, for a large number of file cabinets and storage boxes. Converting as many files as possible would likely result in a sizable cost saving over time.

### Issue #3

Provide licensees with more online tools and information to manage their license requirements and be provided with pertinent news.

As part of the ongoing effort to enhance our information capabilities, projects need to be implemented to allow licensees to track their continuing education credits, notify the Board of address and employment changes, request license verifications, etc. online. As more of our licensees embrace online activities, the Board wants to be able to address their needs with the most time-efficient and cost effective methods available.

Research will be conducted to determine the most cost effective system of providing news and information to our licensees via email and/or social media. Currently, paper newsletters are mailed at least once per year. Within the next two years, licensees may be given the opportunity to opt out of these and into an email distribution system. Funds will need to be expended to set up and maintain the email blast system. News will continue to be posted on our website for both the public and our licensees' and the use of social media will increase as the Board and the State develop more comprehensive protocols for these innovative methods.

## Issue #4

Improve our ability to identify deficiencies and enforce premise licensing standards.

With 800 veterinary medical premises and 19 animal crematories, additional staffing is necessary to conduct statutorily-required inspections as well as random inspections at least every four years. Most practitioners welcome the opportunity to improve premise operations; providing inspections on a more regular basis would also provide the time for staff to share information on a one-on-one basis about new administrative rules, statutes, and requirements as needed.

### PROGRAM GOALS

- To license veterinarians, veterinary technicians, premises, and animal crematories within mandated time frames.

Objective: Ensure that license personnel are qualified and meet the standards in accordance with the Veterinary Practice Act.

Performance Measures:

- Premises licensed
- Average number of days from receipt to granting of license
- Veterinary applications processed
- Veterinary technicians certified
- Licensing of qualified veterinarians in compliance with mandatory time frames (number of days)
- Total number of premise renewals
- Temporary permits issued
- Total number of veterinarians licensed annually, including renewals
- Total number of veterinary renewals, in even years that are reinstatements
- Total number of technical renewals, in even years that are reinstatements
- Total certified technicians
- Total number of premises

- Rapidly investigate complaints and provide enforcement to protect the public from incompetent service and unethical and unprofessional conduct.

Objective: Ensure that investigations proceed in a timely and thorough manner and to carry through with the enforcement of discipline when required.

Performance Measures:

- Number of complaints docketed
- Number of complaints resolved
- Disciplinary actions
- Average number of calendar days from receipt of complaint to resolution
- Number of annual investigations conducted
- Number of investigations resulting in enforcement action

- Ensure that licenses are granted to competent professionals with high standards of professional and ethical conduct.

Objective: Review all applications of candidates, veterinarians, technicians, premises, and animal crematories applying for licensure or certification; administer state exams; and check for possible previous disciplinary action before granting licensure.

Performance Measures:

- Complaints per 100 practitioners
- Percent of disciplinary actions to number of licensed veterinarians
- Number of licenses revoked or suspended
- Percent of customers responding excellent or good on customer satisfaction survey

RESOURCE ASSUMPTIONS						
	FY13 Appropriation	FY14 Estimate	FY15 Estimate	FY16 Estimate	FY17 Estimate	FY18 Estimate
FTE	4.5	4.5	5.5	5.5	5.5	5.5
Appropriation	456.6	486.3	500	525	540	555
General Fund \$	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Total Agency Funds	456.6	486.3	500	525	540	555

## Agency Summary

### VETERINARY MEDICAL EXAMINING BOARD

Victoria Whitmore, Executive Director  
 Phone: (602) 542-8150  
 A.R.S. § 32-2201

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	428.7	456.6	486.3	500.0
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>428.7</b>	<b>456.6</b>	<b>486.3</b>	<b>500.0</b>
<b>FTE Positions</b>	<b>5.5</b>	<b>5.5</b>	<b>5.5</b>	<b>5.5</b>

◆ **Goal 1** To license veterinarians, veterinary technicians, and premises in accordance with mandated timeframes.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Premises licensed	200	80	101	80	100	100
Veterinary applications processed	152	120	171	150	150	165
Veterinary technicians certified	146	75	63	75	65	65
Administration as a % of total cost	7	7	7	7	7	7
Total number of premise renewals	673	0	0	700	0	700
Total number of veterinarians licensed annually, including renewals	1993	2060	2118	1,750	1900	1950

**Explanation:** number of licensed veterinarians at end of FY

Total number of veterinary renewals, in even years that are reinstatements	1936	10	4	1,800	5	1850
Total number of technician renewals, in even years that are reinstatements	762	25	29	700	25	675
Total certified technicians	868	900	958	900	865	900

◆ **Goal 2** To rapidly investigate complaints and provide enforcement to protect the public from incompetent service and unprofessional and unethical conduct.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of complaints docketed	136	140	126	125	130	130
Number of complaints resolved	93	115	96	115	100	100
Disciplinary actions	29	35	18	25	25	25
Average number of calendar days from receipt of complaint to resolution	160	150	129	140	135	135
Number of annual investigations conducted	150	165	108	120	130	140
Number of investigations resulting in enforcement action	31	45	18	30	25	25

◆ **Goal 3** To ensure that licenses are granted to competent professionals with high standards of professional and ethical conduct.

Performance Measures	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of Disciplinary actions to number of licensed veterinarians	1	2	1	1	1	1

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of customers responding excellent or good on customer satisfaction survey	93	90	97	90	90	90

◆ **Goal 4** To ensure that the rules developed to license pet crematory facilities are met when licensing and thereafter.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Number of licenses issued for pet crematory facilities	4	1	1	1	1	1

# Water Infrastructure Finance Authority

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding



# Five Year Strategic Plan State Budget FY 2010 - 2014

## **Water Infrastructure Finance Authority of Arizona**

Janice K. Brewer  
Governor

Sandra L. Sutton  
Executive Director

Henry Darwin  
Chairman

August 2012



# Five Year Strategic Plan

FY 2010 - 2014

**Vision, Mission, Strategy ----- 3**

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**FY 2010 Planning Year ----- 7**  
**Performance Measures**

**FY 2011 Planning Year ----- 8**  
**Performance Measures**

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**Performance Measures**

**FY 2013 Planning Year ----- 10**

**FY 2014 Planning Year ----- 11**  
**Performance Measures**

**Resource Assumptions ----- 12**

**WIFA Program Budget Organizational Chart----- 12**





# Vision, Mission, Strategy

## **Our Vision...**

To guide our resources to communities with the greatest need to maintain and enhance Arizona's quality of life.

## **Our Mission...**

To maintain and improve water quality in Arizona by providing financial and technical assistance for basic water infrastructure.

### **Description:**

The Water Infrastructure Finance Authority of Arizona (WIFA) is an independent entity authorized to finance the construction, rehabilitation and/or improvement of drinking water, waste water, waste water reclamation, and other water quality facilities/projects. As a "Bond Bank", WIFA is authorized to issue water quality bonds on behalf of communities for basic water infrastructure. Generally, WIFA offers borrowers below market interest rates on loans for 100% of eligible project costs.

## **Our Strategic Issues...**

**Historically low interest rates** – Low investment returns impact WIFA's interest earnings and incentivize borrowers to prepay long term (higher interest) loans.

**Impact of reduced funding** – Reduced state funding has required the use of WIFA earnings to be used as match for federal funds, resulting in less funds available for loans. Additionally, reduced state funding to ADEQ has resulted in WIFA earnings and additional federal capitalization grant funds being transferred out to support ADEQ's water related programs. Reduced federal funds also result in less funds available for loans.

**Clean water allocation** – The clean water fund is capitalized by annual federal contributions. The present allocation is based on a 1977 formula that does not consider Arizona's population growth since that date.

**Unfunded federal mandates** – The inclusion of Davis-Bacon Fair Labor Law requirements has made WIFA less attractive to rural borrowers. Federally driven requirements to provide up to 30% of the annual capitalization grants directly results in a 30% decrease in the amount of funds that enter and remain in the state revolving fund.

**Arizona economy** – The slow recovery has put a hold on many new water infrastructure projects.

## **Our Strategy...**

- Award WIFA's resources in accordance with the needs of Arizona's Citizens.
- Maintain the fiscal integrity of WIFA's funds and assure continuous enhancement for future generations.
- Effectively and efficiently deliver financial and technical assistance.
- Coordinate with other funding sources, technical resources, regulatory authorities, and private sector legal and financial counterparts.
- Facilitate the efficient and appropriate delivery of funding provided under the American Recovery and Reinvestment Act of 2009 (ARRA).



# Annual Goals

FY 2010 – FY 2014

## **Goal 1. Award WIFA's resources in accordance with the needs of Arizona's Citizens.**

- A. Encourage projects that resolve or prevent a public health or environmental problem.
- B. Work towards implementation of EPA's four pillars of sustainable infrastructure.
- C. Encourage projects that promote sustainable infrastructure such as water reuse and conservation, energy efficiency, and other green practices.
- D. Encourage the consolidation and regionalization of water and wastewater systems.
- E. Actively document Clean Water and Safe Drinking Water Infrastructure needs.
- F. Finance infrastructure technology consistent with end use, location, local fiscal capacity and the technical capability of system operators.

## **Goal 2: Maintain the fiscal integrity of WIFA's funds and assure continuous enhancement for future generations.**

- A. Maintain WIFA's AAA credit ratings.
- B. Aggressively pursue federal funding to ensure Arizona obtains its maximum share of federal allocations.
- C. Work to maximize the amount and duration of funds invested to maximize earnings.
- D. Balance needs of low credit, high priority borrowers with high credit, low priority borrowers.
- E. Conduct annual loan reviews.
- F. Ensure all financial and bond reporting requirements are met in a timely manner.

## **Goal 3: Effectively and efficiently deliver financial and technical assistance.**

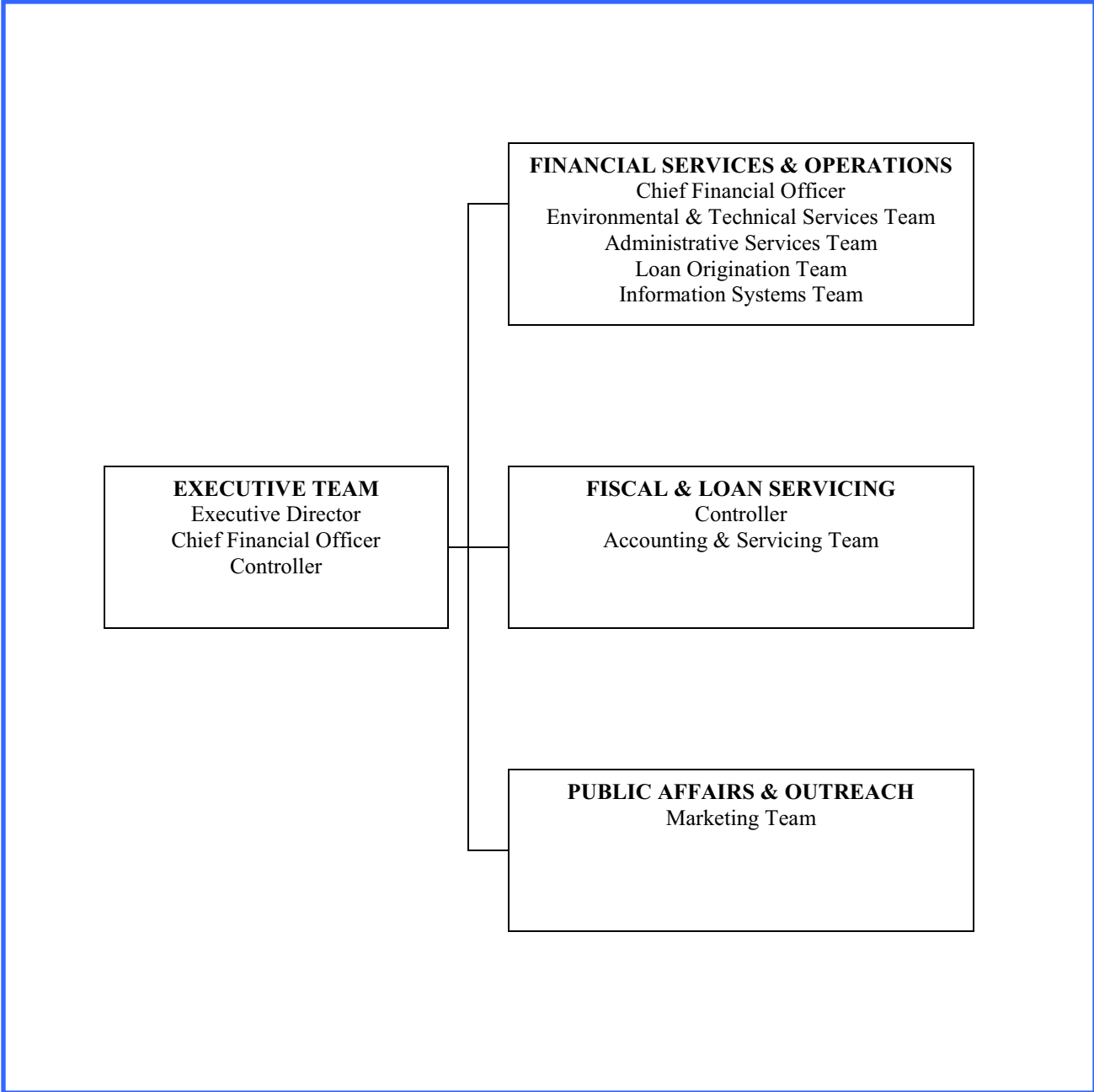
- A. Maximize the benefits of WIFA's integrated information technology and enhance web-based automated applications.
- B. Assist communities with the completion of the Project Finance Application at their place of business.
- C. Facilitate public understanding of financial and technical assistance options so that communities are empowered to make good infrastructure financing decisions.
- D. Stimulate financial and technical assistance demand through continuous outreach efforts.

## **Goal 4: Coordinate with other funding sources, technical assistance resources, regulatory authorities, and private sector legal and financial counterparts.**

- A. Coordinate through the Rural Water Infrastructure Committee (RWIC) to maximize the amount of financial resources available to Arizona communities.
- B. Coordinate with regulatory authorities to align water infrastructure funding with identified needs.
- C. Identify opportunities to participate in public-private partnerships.



# WIFA TEAMS





# Performance Measures

## FY 2010

### Performance Measures - Required Annually (Due August)

#	Activity or Performance Measure	Related Goal	Reporting Frequency	Team Responsible	Notes/Target
1	Number of recipients moving from non-compliance to compliance.	Goal 1	Annually	Environmental	Number of projects that have corrected or prevented public health or environmental problems.
2	Percent of total available funds invested.	Goal 2	Annually	Accounting	Target = 95%
3	Average number of weeks to process a loan.	Goal 3	Annually	Environmental Loan Origination	Number of days from Board action to circulate draft loan documents.
4	Number of co-financings.	Goal 4	Annually	Environmental	Co-financing including local and private contributions.

### Performance Measures - Required for the Governor's Office (OSPB)

#### Performance Measures for ARRA Drinking and Clean Water Capitalization Grant

#	Activity or Performance Measure	Related Goal	Reporting Frequency	Team Responsible	Notes
1	Create and/or retain drinking water infrastructure construction jobs within the state of Arizona.	Goal ARRA	Annually	Environmental	Measured by the number of drinking water construction jobs created and/or retained.
2	Create and/or retain clean water infrastructure construction jobs within the state of Arizona.	Goal ARRA	Annually	Environmental	Measured by the number of clean water construction jobs created and/or retained.



# Performance Measures

## FY 2011

### Performance Measures - Required Annually (Due August)

#	Activity or Performance Measure	Related Goal	Reporting Frequency	Team Responsible	Notes/Target
1	Number of recipients moving from non-compliance to compliance.	Goal 1	Annually	Environmental	Number of projects that have corrected or prevented public health or environmental problems.
2	Percent of total available funds invested.	Goal 1	Annually	Accounting	Target = 95%
3	Average number of weeks to process a loan.	Goal 3	Annually	Environmental Loan Origination	Number of days from Board action to circulate draft loan documents.
4	Number of co-financings.	Goal 4	Annually	Environmental	Co-financing including local and private contributions.

### Performance Measures - Required for the Governor's Office (OSPB)

#### Performance Measures for ARRA Drinking and Clean Water Capitalization Grant

#	Activity or Performance Measure	Related Goal	Reporting Frequency	Team Responsible	Notes
1	Create and/or retain drinking water infrastructure construction jobs within the state of Arizona.	Goal ARRA	Annually	Environmental	Measured by the number of drinking water construction jobs created and/or retained.
2	Create and/or retain clean water infrastructure construction jobs within the state of Arizona.	Goal ARRA	Annually	Environmental	Measured by the number of clean water construction jobs created and/or retained.



# Performance Measures

## FY 2012

### Performance Measures - Required Annually (Due August)

#### Performance Measures for WIFA

#	Activity or Performance Measure	Related Goal	Reporting Frequency	Team Responsible	Notes/Target
1	Number of recipients moving from non-compliance to compliance.	Goal 1	Annually	Environmental	Number of projects that have corrected or prevented public health or environmental problems.
2	Percent of total available funds invested.	Goal 1	Annually	Accounting	Target = 95%
3	Average number of weeks to process a loan.	Goal 3	Annually	Environmental Loan Origination	Number of days from Board action to circulate draft loan documents.
4	Number of co-financings.	Goal 4	Annually	Environmental	Co-financing including local and private contributions.

#### Performance Measures for ARRA Drinking and Clean Water

#	Activity or Performance Measure	Related Goal	Reporting Frequency	Team Responsible	Notes
1	Create and/or retain drinking water infrastructure construction jobs within the state of Arizona.	Goal ARRA	Annually	Environmental	Measured by the number of drinking water construction jobs created and/or retained.
2	Create and/or retain clean water infrastructure construction jobs within the state of Arizona.	Goal ARRA	Annually	Environmental	Measured by the number of clean water construction jobs created and/or retained.

#### Performance Measures for Greater Arizona Development Authority

#	Activity or Performance Measure	Related Goal	Reporting Frequency	Team Responsible	Notes
1	Amount of financial assistance (in millions) loaned to cities, towns, counties, and special districts.	Goal 1	Annually	Environmental	Measured by the number of drinking water construction jobs created and/or retained.
2	Amount of savings (in millions) for cities, towns, counties, tribes, and special districts from participation in the GADA program over private financing.	Goal 1	Annually	Environmental	Measured by the number of clean water construction jobs created and/or retained.

GADA Fund has experienced budget sweeps and is close to an inability to pursue bonding currently.  
 GADA Goal 1 To increase development of public infrastructure projects.



# Annual Performance Measures

FY 2013

## Performance Measures - Required Annually for JLBC (Due August)

### Performance Measures for WIFA

#	Activity or Performance Measure	Related Goal	Reporting Frequency	Team Responsible	Notes/Target
1	Number of recipients moving from non-compliance to compliance.	Goal 1	Annually	Environmental	Number of projects that have corrected or prevented public health or environmental problems.
2	Percent of total available funds invested.	Goal 1	Annually	Accounting	Target = 95%
3	Average number of weeks to process a loan.	Goal 3	Annually	Environmental Loan Origination	Number of days from Board action to circulate draft loan documents.
4	Number of co-financings.	Goal 4	Annually	Environmental	Co-financing including local and private contributions.

### Performance Measures for Greater Arizona Development Authority

#	Activity or Performance Measure	Related Goal	Reporting Frequency	Team Responsible	Notes
1	Amount of financial assistance (in millions) loaned to cities, towns, counties, and special districts.	Goal 1	Annually	Environmental	.
2	Amount of savings (in millions) for cities, towns, counties, tribes, and special districts from participation in the GADA program over private financing.	Goal 1	Annually	Environmental	

GADA Fund has experienced budget sweeps and is close to an inability to pursue bonding currently.  
 GADA Goal 1-To increase development of public infrastructure projects.





# Performance Measures

FY 2014

## Performance Measures - Required Annually (Due August)

### Performance Measures for WIFA

#	Activity or Performance Measure	Related Goal	Reporting Frequency	Team Responsible	Notes/Target
1	Number of recipients moving from non-compliance to compliance.	Goal 1	Annually	Environmental	Number of projects that have corrected or prevented public health or environmental problems.
2	Percent of total available funds invested.	Goal 1	Annually	Accounting	
3	Average number of weeks to process a loan.	Goal 3	Annually	Environmental Loan Origination	Number of days from Board action to circulate draft loan documents.
4	Number of co-financings.	Goal 4	Annually	Environmental	Co-financing including local and private contributions.

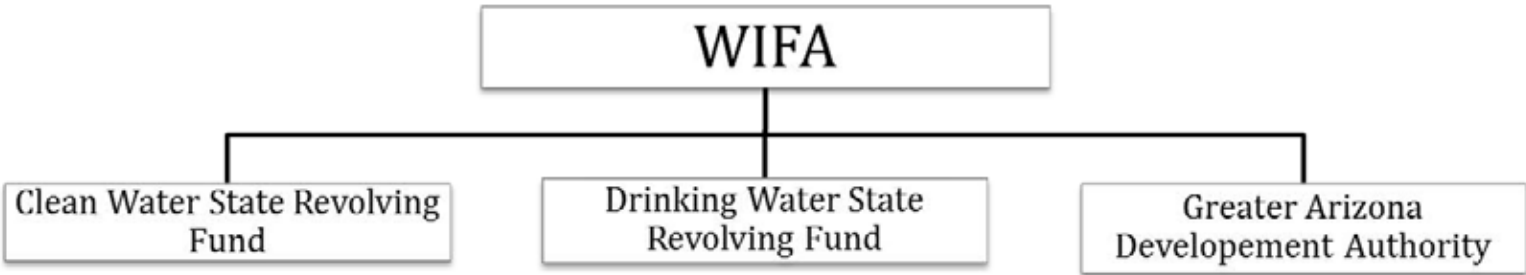
### Performance Measures for Greater Arizona Development Authority

#	Activity or Performance Measure	Related Goal	Reporting Frequency	Team Responsible	Notes
1	Amount of financial assistance (in millions) loaned to cities, towns, counties, and special districts.	Goal 1	Annually	Environmental	Measured by the number of drinking water construction jobs created and/or retained.
2	Amount of savings (in millions) for cities, towns, counties, tribes, and special districts from participation in the GADA program over private financing.	Goal 1	Annually	Environmental	Measured by the number of clean water construction jobs created and/or retained.

GADA Fund has experienced budget sweeps and is close to an inability to pursue bonding currently.  
 GADA Goal 1 To increase development of public infrastructure projects.

Resource Assumptions (Agency Level)						
	FY 2013 Appropriation	FY 2014 Budget Request	FY 2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions	18	18	18	18	18	18
General Fund						
Other Appropriated Funds						
Non-Appropriated Funds						
Federal Funds						
Total Agency Funds						

**Water Infrastructure Finance Authority of Arizona**  
**Fiscal Year 2013**  
**Program Budget Organizational Chart**



## Agency Summary

### WATER INFRASTRUCTURE FINANCE AUTHORITY

Sandy Sutton, Director  
 Phone: (602) 364-1310  
 A.R.S. §§ 49-1201 to 49-1269

**Agency Summary:** (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ WATER INFRASTRUCTURE FINANCE AUTHORITY	135,630.1	128,565.0	129,613.5	146,111.9
➤ GREATER ARIZONA DEVELOPMENT AUTHORITY	43.9	46.0	46.0	46.0
<b>Agency Total:</b>	<b>135,674.0</b>	<b>128,611.0</b>	<b>129,659.5</b>	<b>146,157.9</b>
<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	135,674.0	128,611.0	129,659.5	146,157.9
<b>Total Funding</b>	<b>135,674.0</b>	<b>128,611.0</b>	<b>129,659.5</b>	<b>146,157.9</b>
<b>FTE Positions</b>	<b>6.6</b>	<b>5.9</b>	<b>18.0</b>	<b>18.0</b>

**Program Summary**

**WATER INFRASTRUCTURE FINANCE AUTHORITY**

Sandy Sutton, Director  
 Phone: (602) 364-1310  
 A.R.S. §§ 49-1201 to 49-1269

<b>Funding:</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	135,630.1	128,565.0	129,613.5	146,111.9
<b>Total Funding</b>	<b>135,630.1</b>	<b>128,565.0</b>	<b>129,613.5</b>	<b>146,111.9</b>
<b>FTE Positions</b>	<b>6.6</b>	<b>5.9</b>	<b>18.0</b>	<b>18.0</b>

◆ **Goal 1** To award WIFA's resources in accordance with the needs of Arizona's Citizens.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of recipients moving from non-compliance to compliance	3.0	4.0	1.0	2.0	2.0	2.0

◆ **Goal 2** To maintain the fiscal integrity of the Funds administered by WIFA and ensure continuous enhancement for future generations.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Percent of total available funds invested	99.7	99.5	90.6	99.5	99.5	99.5
Interest income (in thousands)	6311.4	5680.2	6,737.8	6,500.0	6,500.0	6,500.0

◆ **Goal 3** To effectively and efficiently deliver financial and technical assistance.

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of weeks to process a loan	1.6	3.0	1.45	2.5	2.5	2.5

◆ **Goal 4** To coordinate with other funding sources, technical resources, and regulatory authorities

<b>Performance Measures</b>	<u><b>FY 2011 Actual</b></u>	<u><b>FY 2012 Estimate</b></u>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
Number of co-financings	5.0	4.0	8.0	4.0	4.0	4.0

**Program Summary**

GREATER ARIZONA DEVELOPMENT AUTHORITY

Michael Clark, Controller  
 Phone: (602) 364-1324  
 A.R.S. § 41-1554

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	43.9	46.0	46.0	46.0
<b>Total Funding</b>	<b>43.9</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>
<b>FTE Positions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

◆ **Goal 1** To increase development of public infrastructure projects.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Amount of financial assistance (in millions) loaned to cities, towns, counties, and special districts.	0	0	0	0	0	0
GADA Fund has experienced budget sweeps and is close to an inability to pursue bonding.						
Amount of savings (in millions) for cities, towns, counties, tribes, and special districts from participation in the GADA program over private financing.	0	0	0	0	0	0

GADA Fund has experienced budget sweeps and is close to an inability to pursue bonding.

# Department of Water Resources

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

**ARIZONA DEPARTMENT OF WATER RESOURCES  
FIVE YEAR STRATEGIC PLAN  
OCTOBER 1, 2012**

LEADERSHIP:  
ADWR WILL LEAD WATER MANAGEMENT PROBLEM SOLVING,  
PROVIDING VALUABLE, FAIR AND REASONABLE  
CONTRIBUTIONS.

**GOAL  
1**

**Objective 1: Protect Arizona’s Allocation of the Colorado River**

*Task 1.1: Colorado River Basin States and Mexico Bi-National Water Management. Negotiations with fellow Basin States, Federal Government (largely Bureau of Reclamation), and Mexican Government regarding policy and operational framework for Mexican water augmentation and shortage sharing. Water management discussions regarding Treaty operations, environmental issues and water quality.*

Deliverables:

1. Shortage sharing agreement with Mexico
2. Continued negotiations regarding Intentionally Created Mexican Allocation (ICMA)
3. Emergency Operations – Earthquake Response and longer term mitigation issues

*Task 1.2: Consultation with Arizona Water Users, fellow Basin States, and Bureau of Reclamation (BOR) on issues related to potential water transfers*

Deliverables:

1. Monitor discussions regarding potential transfers of mainstream Colorado River entitlements to other parties within Arizona
2. Ensure that these discussions are limited to Arizona entities within Arizona
3. Take necessary actions and advise of State requirements

*Task 1.3: Continued participation, monitoring, and negotiation in Colorado River Operations and Monitoring*

Deliverables:

1. Annual Operating Plan
  - a. Consults on development of the Annual Plan designating surplus, shortage or normal water supply conditions.
2. Long-Range Operating Criteria Reviews criteria governing the operation of Colorado River reservoirs to determine whether they remain consistent with making continued adequate deliveries to Upper and Lower Basin water users.
3. Water Use Accounting Monitors and records water uses in the Lower Basin under Article V of the Arizona v. California decree.
4. Colorado River System Modeling Models impacts of management strategies, hydrologic conditions and water use demands throughout the Basin to determine the projected amount of Colorado River water available for use in Arizona.
5. Colorado River Contract Administration Monitors CAP and Colorado River entitlements and recommends allocations and transfers of these water supplies..

*Task 1.4: Continued participation, monitoring, and negotiation on environmental issues regarding operation of Colorado River, including: Glen Canyon Adaptive Management Workgroup, Long Term Experimental and Management Plan, and Lower Colorado River Multi-Species Conservation Plan (MSCP)*

Deliverables:

1. Ensure compliance with Grand Canyon Protection Act
2. Participation on Steering Committee on development and implementation of MSCP
3. Participation in National Environmental Policy Act (NEPA) compliance activities regarding operations of Colorado River and related reservoirs
4. Negotiation with Tribal, Federal, Basin State, and Non-Governmental Organization (NGO) stakeholders

*Task 1.5: Continue to Facilitate Recharge of Excess CAP Water*

Deliverables:

1. Improve program efficiency by developing e-filing for annual reports and documenting and standardizing policies and procedures for calculating credits.
2. Develop integrated database to track credits stored, conveyed and recovered.
3. Streamline permitting processes and reporting.

*Task 1.6: Monitor and comment on proposed rulemaking regarding monitoring and accounting of water use along main stem of Colorado River*

Deliverables:

1. Monitoring and consultation of Federal rule: "Regulating the use of Lower Colorado River Water without Entitlement."
2. Consultation with BOR regarding technical details and implementation of "Accounting Surface" for withdrawals from wells along main stem of Colorado River.
3. Continued implementation of A.R.S. §45-596.01, Ariz. Sess. Law 2007, Ch. 91 §2 (conditionally effective) requiring proof of water right for entity filing a NOI to drill a non-exempt well if the well is within the area determined to be pumping Colorado River water.
4. If ADWR pursues contracting for small domestic water users pumping Colorado River water additional legislative and administrative actions will be required.

*Task 1.7: Colorado River Basin Study*

Deliverables:

1. Explore alternatives for achievement of greater water use efficiency throughout the Colorado River Basin.
2. Explore alternatives for water supply augmentation throughout the Colorado River Basin.
3. Development and maintenance of Arizona Demand Schedule as input to the Basin Study.
4. Evaluate supply and demand estimates from Reclamation modeling to determine appropriateness of assumptions.
  - a. Offer suggestions for assumption modification (as appropriate).
  - b. Conduct independent modeling if warranted



*Task 1.8: Enhance modeling capabilities and update model with revised river operating criteria, demand projections and shortage assumptions for shortage planning and CAP Non-Indian Agriculture reallocation use.*

Deliverables:

1. Model Update
2. Develop Reallocation Criteria
3. Consultation with fellow Basin States, Arizona and Federal representatives

*Task 1.9: Reallocate Unallocated CAP Non-Indian Agricultural Water*

Deliverables:

1. Conduct Round 1 Stakeholder Workshop
2. Finalize Round 1 Reallocation Recommendation
  - a. Forward to Bureau of Reclamation
3. Prepare for subsequent rounds of reallocation in 2021 and 2030.

*Task 1.10: Enhance, Protect, and Firm Arizona's Priority to Central Arizona Project Water*

Deliverables:

1. Negotiations with Basin States, Feds & Mexico
2. Continue planning and facilitation of intra- and inter-state Water Banking
3. Evaluation of alternatives for water supply augmentation

## **Goal 1 /Objective 2: Manage Arizona's Water for the Future**

*Task 2.1: Implement and Facilitate Indian Water Rights Settlements*

Deliverables:

1. Facilitate and participate in Navajo-Hopi water rights settlement negotiations.
2. Facilitate and participate in Hualapai water rights settlement negotiations.
3. Implement WMAT settlement legislation.
4. Protection Zone monitoring and enforcement (Gila River and others)

*Task 2.2: Enhanced Data Reporting, Management, & Access*

Deliverables:

1. Continued implementation of web-based queries tools of ADWR databases. Tools are used for internal planning, analysis and regulatory functions. Further, provides greatly enhanced access to ADWR database for the public while minimizing ADWR engagement in data retrieval process.
2. Development of on-line regulatory reporting (to be discussed in more detail in Goal 3/Objective 1, below).

*Task 2.3: Develop and Adopt 4<sup>th</sup> Management Plans*

Deliverables:

1. Finalize AMA Assessments.
2. Prepare draft 4<sup>th</sup> Management Plans for each AMA.
  - a. Conduct Critical Evaluation of prospects for achievement of Management Goal in each AMA.

3. Conduct Stakeholder Review of Draft 4MPs through Groundwater Users Advisory Councils (GUACs) of each AMA.
4. Adopt and Promulgate 4<sup>th</sup> Management Plans.

*Task 2.4: Initiate Strategic Development of 5<sup>th</sup> Management Plans*

Deliverables:

1. Continually update AMA Assessments
2. As informed by the 4MP process, evaluate any changes in rule or statute necessary to achieve AMA Goals.
3. Initiate consultation on changes with Governor's Office and Legislature
4. Initiate consensus building to engage regulated community and develop support for changes

*Task 2.5: Development and of Enhanced Aquifer Management Program.*

Deliverables:

1. Recharge and Recovery Planning
  - a. Identification of areas within AMAs where Enhanced Aquifer Management may be warranted.
2. Expanded implementation of Water Exchanges
3. Aquifer Monitoring & Management
  - a. Implementation of Real Time Regulatory Triggers
  - b. Enhanced Public Protection

*Task 2.6: Facilitate, Implement adopted recommendations of Water Resource Development Commission, as requested. Update WRDC and Arizona Water Atlas databases*

Deliverables:

1. Respond to Legislative and Executive inquiries regarding WRDC recommendations.
2. Assist local communities in evaluation of applicability of Regional Water Augmentation Authorities to augment local/regional water supplies.
3. Annual Database Updates
  - a. WRDC
  - b. Water Atlas

*Task 2.7: Administer, Streamline & Enhance Assured and Adequate Water Supply Program*

Deliverables:

1. Development of Enhanced Modeling tools.
2. Address Inequities in Current Administration of Program.
3. Streamline permitting process.
4. Stakeholder Engagement

*Task 2.8: Rural Watershed Programs.*

Deliverables:

1. Provide Leadership, Facilitation, Information, Education, and Planning assistance to local watershed programs.
  - a. Enhanced data collection and management programs
2. Leverage Local, State, Federal and private resources to address local water management issues.

*Task 2.9: Central Arizona Groundwater Replenishment District (CAGR) Plan of Operation Review and Approval.*

Deliverables:

1. Determine ADWR roll in CAGR Plan development process
  - a. participate as appropriate
2. Inform CAGR Stakeholder Process.
3. Review CAGR Prepared Plan (2014)
4. Approve as appropriate

*Task 2.10: Water Supply Augmentation.*

Deliverables:

1. Evaluate alternatives for water supply augmentation to AMAs, Colorado River, and other regions in State
2. Facilitate Implementation of Feasible Augmentation Alternates
3. Incorporate into Regulatory Programs
  - a. AAWS
  - b. Management Plans
4. Anticipated Potential Augmentation Alternatives
  - a. Desalination
    - i. Seawater
      1. Colorado River Exchange
    - ii. Impaired Groundwater
  - b. Rainwater Harvesting
  - c. Others

*Task 2.11: Evaluate, Enhance, Leverage ADWR Conservation Programs.*

Deliverables:

1. Evaluate efficacy of programs (M&I, Ag, Industrial)
  - a. Base
  - b. Best Management Practices (BMP)
  - c. Modified Non-Per Capita
2. Evaluate efficacy of Conservation Communication and Coordination Program
  - a. Overall program efficacy
  - b. ADWR Role
  - c. Enhance as Appropriate
  - d. Coordinate and Leverage

*Task 2.12: Enhance Coordination/Integration with Arizona Corporation Commission Programs.*

Deliverables:

1. Engagement with ACC and jointly regulated utilities
2. Develop matrix of areas of conflict between ADWR conservation and water management programs and ACC utility regulations
3. Explore integration of ADWR and ACC regulatory programs to protect primate utility ratepayers while meeting ADWR water management programs
4. Identify statutory and rule changes necessary

## **Goal 1 / Objective 3: Facilitate and Support Water Conservation Efforts**

*Task 3.1: Evaluate water providers submitted conservation plans.*

Deliverables:

1. Implement and maintain water system plan database in coordination with Hydrology
2. Enter data from system water plans submitted by community water systems
3. Interpret and evaluate system water plan data (determine vulnerability)
4. Develop recommendations to reduce systems vulnerability and support development of sustainable water supplies
5. Target “needs assistance” communities and provide technical assistance in developing water conservation programs.
6. Showcase efforts of communities with sound conservation programs through ADWR website, incentive programs, etc.
  - a. Highlight Best-Practices examples to serve as model for other water providers

*Task 3.2: Continued participation and coordination to leverage water conservation efforts of communities throughout the State*

Deliverables:

1. Participation in Project WET
2. Leadership in Water Awareness Month (WAM) messaging

## **Goal 1 / Objective 4: Provide Technical Support to the Adjudication Courts**

*Task 4.1: Technical Analyses and Reports*

Deliverables:

1. Continue to address court directives and party comments on Subflow Zone Delineation Report.
2. Produce and submit for review subflow zone maps for San Pedro Watershed
3. Finalize and publish Hopi Hydrographic Survey Report
  - a. Comment resolution
  - b. Publication
4. Publish Verde River Watershed Holocene Geology mainstem report.
5. Publish Verde River Watershed Holocene Geology major tributaries report.
6. Evaluate federal reserved right claims for San Pedro Riparian National conservation Area (SPRNCA).
7. Develop technical test for well interference for court and party review.

*Task 4.2 Field Data Collection and Analysis*

Deliverables:

1. Verification of Claims
  - a. Aravaipa Canyon
  - b. Sands
  - c. Others as directed by the Court or Special Master

*Task 4.3: Statement of Claimant (SOC) Registry*

Deliverables:

1. Process new claims and recent amendments and assignments
2. Mail new use summons

*Task 4.4 Streamline Adjudication Process*

1. Engage with Steering Committee to vet alternatives for streamlining Adjudication process
  - a. Conceptualize alternatives for post-adjudication water rights administration system
  - b. Evaluate alternatives to streamline process with water rights administration in mind
2. Revise/streamline New Use Summons process
  - a. Incorporate into due-course business of Department that triggers New Use Summonses.
    - i. Wells/Groundwater filings
    - ii. Surface water filings

KNOWLEDGE: ADWR EMPLOYEES WILL BE WELL TRAINED AND PROVIDE QUALITY INFORMATION ON WATER RESOURCES TO THE PUBLIC.

**GOAL  
2**

**Objective 1: Collect and Analyze Hydrologic Data to Allow Sound Water Policy Development at all levels of government.**

*Task 1.1: Enhance Statewide Data Acquisition and Monitoring Program*

Deliverables:

1. Develop system for incorporation of 3<sup>rd</sup> Party data into ADWR databases while maintaining integrity of data
2. Continue to strategically deploy and maintain automated data collection network throughout the State.
3. Evaluate efficacy of current data collection program. Seek to continually improve program and incorporate/leverage voluntary and regulatory data collection by others into planning efforts.
4. Develop and implement tools to protect the public by providing real-time data collection and transmittal and establishment of alert triggers for the appropriate regulatory bodies, including the Department.
  - a. Incorporate tools into permitting and regulatory programs.
5. Maintain and enhance position as technical leader in large-scale regional groundwater model development and use
6. Explore/Develop/Implement tools to address site specific hydrologic questions within the framework of ADWR's regional models.
7. Recovery Planning

*Task 1.2: Maintain/Update Existing AMA Groundwater Models*

Deliverables:

1. Phoenix AMA Model Update
  - Integrate SRV and Hassayampa Models
2. Continually Update Assured Water Supply Model for Phoenix AMA
3. Pinal AMA model update
  - a. Incorporate Subsidence 1900-2006 transient calibration
  - b. Model Report
4. Tucson AMA model update
  - a. Transient model calibration (updated with 3 layer bottom)
  - b. Modeling report
5. Prescott AMA Model
  - a. Continued refinement
    - i. Recharge Estimates
    - ii. Incorporation of new/additional data
6. SCAMA Models
  - a. Continued refinement
    - i. Stochastic Simulations
    - ii. Recharge Estimates
    - iii. Incorporation of new/additional data
  - b. Stakeholder Engagement

*Task 1.3: Rural Watershed Groundwater Studies*

Deliverables:

1. Northern AZ Model
  - a. Work w/ USGS, NGOs, and local and downstream water users to resolve & enhance model performance and applicability to regional water management issues
    - i. Big Chino Exports
    - ii. Verde River flows
2. Develop and/or facilitate numerical groundwater model for the Middle San Pedro and three groundwater basins in Mohave County in cooperation with local and downstream water interests and the USGS.

**Goal 2 / Objective 2: Present and Publish Water Information for Easy Public Access**

*Task 2. 1: Publish a searchable/interactive version of the Water Atlas and WRDC report on ADWR website.*

Deliverables:

1. Construct integrated Atlas and WRDC database
2. Construct an Atlas and WRDC webpage that allows the public to access Atlas information and data geographically (GIS Portal), by water resource characteristic and supply sustainability

*Task 2.3: Develop an integrated Water Supply/Demand database*

Deliverables:

1. Create a methodology and timeline for updating each data source
2. Incorporate metadata for each data source (to the extent possible)
3. Prioritize data sources and design a relational database for each data source
4. Incorporate all new/existing databases into one data portal

**Goal 2 / Objective 3: Develop a comprehensive training and development program for employees.**

*Task 3.1: Assess technical training needs*

*Task 3.2: Assess administrative/management training needs.*

*Task 3.3: Develop and formalize training program incorporating internal and external training sources.*

*Task 3.4: Encourage Employee Presentations in Technical Forums*

*Task 3.5: Enhance and Develop Intern Program. Strengthen ties with Universities, Community Colleges, and Technical Institutions. Encourage academic programs that provide training supporting ADWR technical needs.*

SERVICE: ADWR WILL PROVIDE THE PUBLIC ACCURATE AND TIMELY ELECTRONIC INFORMATION, PERMITTING AND OTHER SERVICES.
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<b>GOAL 3</b>
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**Goal 3/Objective 1: Continue Development of web-based interactive tools that allow for real-time reporting and querying capability.**

*Task 1.1: Finalize migration to new server environment  
Deploy and maintain off-site Disaster Recovery facility*

*Task 1.2: Maintain and refresh computing resources*  
Incorporate into annual budgeting cycle  
Adopt and integrate new technologies into IT resources and publically available tools  
Web  
Handheld devices  
Applications (“ADWR has an app for that”)

*Task 1.3: Integrated Annual Reporting*  
Eliminate redundancies in Annual Reporting  
Develop tools for direct population of ADWR databases by regulated community (Digital to Digital data transfer and reporting)  
Reduce reporting time for constituents  
Shift ADWR efforts to QA/QC and data analysis

*Task 1.4: Increase Electronic Access to ADWR Files*  
Finalize transition of Imaged Records from FORTIS to Docushare  
Scan and post existing hard copy files  
Active Internal ADWR Files  
Archived Files  
Petition and transition to electronic storage of Permanent Records

**Goal 3 / Objective 2: Provide value to Arizona’s citizens by reducing processing time for permits, licenses and reports.**

*Task 2.1: Improve Efficiency of Surface Water Rights Permitting Program*

Deliverables:

1. Continue working with stakeholder group to provide a forum for receiving input on pending policy decisions and procedural rules.
2. Process pending and new licensing applications within applicable licensing timeframes.
3. Complete administrative processing of applications for pending sever and transfer of rights.
  - a. Explore (with stakeholders and downstream water right holders) alternative processes for administering sever and transfer of surface water rights.

**Goal 3 / Objective 3: Evaluate Application Fees to ensure applicants are paying for actual cost of service.**

*Task 2.2: Evaluate Time Tracker data to monitor hours worked on each application type against assumptions made to establish the Department’s Fee Rules.*

Deliverables:

1. Develop an annual report to the Agency Director for FY 2010 – 2012

COLLABORATION: ADWR WILL MAINTAIN A COLLABORATIVE CULTURE WITHIN THE AGENCY AND WITH THE PUBLIC THROUGHOUT THE STATE.	
GOAL	
4	

**Objective 1: Collaboration with the Public**

*Task 1.1: Continued Participation as a partner in, and technical resource to, water resource groups.*

Deliverables:

1. Meeting attendance and consultation. Including, but not limited to: :
  - a. Yuma Area Water Resource Management Group
  - b. Border Water Resource Program
  - c. Rural Watershed Partnerships and Organizations
    - Yavapai Water Advisory Committee
    - Coconino Plateau Water Advisory Council
    - Upper San Pedro Partnership
    - Gila Watershed Partnership
    - Upper Agua Fria Watershed Partnership
    - Community Watershed Alliance of the Middle San Pedro
    - Upper Little Colorado River Watershed Partnership
    - Show Low Creek Watershed Enhancement Partnership
    - Silver Creek Watershed Partnership
    - Little Colorado River Watershed Coordinating Committee
    - Mohave County Water Authority



- NAMWUA
  - Navajo Municipal Task Force
  - Yavapai Technical Advisory Committee
  - Coconino Plateau Education and Public Outreach Committee
  - Coconino Plateau Government Affairs Committee
  - Coconino Plateau Executive Committee
- d. East Valley Water Forum
  - e. WESTCAPS
  - f. Ag BMP Stakeholders
  - g. Tucson IPAG
  - h. AMA GUACs
  - i. AMWUA Conservation Coordinating
2. Continue collaboration with Project WET.

*Task 1.2: Develop Routine Communication Strategies with Local Communities and Tribes.*

Deliverables:

1. Offer assistance and tools to tribal communities upon request.
2. Review ADWR programs involving cities, towns, counties and other political subdivisions and, where applicable, ensure that tribes are adequately notified of the programs and are invited to participate in the programs.

*Task 1.3: Develop partnerships to resolve dam safety issues*

Deliverables:

1. Work with dam owners and local floodplain and applicable emergency management to identify and resolve dam safety issues
  - a. Leverage available financial resources

*Task 1.4: Partner with various organizations and agencies in funding acquisition and analyzing land subsidence data.*

Deliverables:

1. Develop and maintain agreements for InSAR images and related data with these organizations:
  - a. Flood Control District, Maricopa County
  - b. Flood Control District, Pima County
  - c. ADOT
  - d. ASLD
  - e. Metro Water
  - f. Community Water
  - g. CAP
  - h. SRP

## **Goal 4 / Objective 2: Continued and Enhanced Collaboration with Other State/Federal Agencies**

*Task 2.1: Maintain and Foster an Environment of Cooperation*

*Task 2.2: Develop Routine Communication Strategies with ADEQ, ADRE, ACC, USBR, ADEM, ADA, AzGF, ASLD, USDA, USGS, USEPA*

*Task 2.3: Work with ADEQ on WQARF program and linkages between AWS and Subdivision Approval programs.*

*Task 2.4: Work with ADEQ, USGS and other agencies on a mechanism for timely data exchange to update the Arizona Water Atlas, WRDC and for other purposes*

*Task 2.5: Work with ADEQ and ACC to develop integrate reclaimed water database. Incorporate into planning and regulatory programs.*

*Task 2.6: Continue to work with USGS to obtain non-AMA water demand information through contract and/or cooperative mechanisms. Arizona is the only state that produces annual water demand information through the USGS.*

*Task 2.7: Continue Work with the WRRC and USGS to study transboundary aquifers under the Federal Transboundary Aquifer Protection Program). Use this program to facilitate cooperation between ADWR and IBWC and Sonoran representatives on the Water and Environment Committees of the Arizona Mexico Committee.*

**SAFETY: ADWR WILL ENSURE ARIZONA'S CITIZENS ARE PROTECTED FROM THE LIKELIHOOD OF FAILING DAMS OR POOR FLOODPLAIN MANAGEMENT. ADWR SHALL ENSURE PROTECTION OF AQUIFER WATER QUALITY THORUGH ENFORCEMENT OF WELL CONSTRUCTION STANDARDS**

**GOAL  
5**

### **Objective 1: Protect the public by reducing the likelihood of dam failures**

#### *Task 1.1: Safety of Non-Federal Dams*

##### Deliverables:

1. Process pending and new licensing applications within applicable licensing timeframes.
2. Perform detailed pre-application reviews of three to five major milestone design submittals for Flood Control District of Maricopa County dam safety rehabilitation and modification projects.
3. Complete ADWR-funded design for dam removal and conveyance of local floodwaters for safe removal of Cook Reservoir Dam in Safford, AZ.
4. Perform 100 inspections of operating dams.
5. Complete Arizona probable Maximum Precipitation Study

#### *Task 1.2: Development of Integrated Flood Management Program*

##### Deliverables:

1. Work with Federal, State, and Local emergency managers to incorporate elements of safety of dams, floodplain warning, and floodplain management into an integrated program that incorporating the necessary elements of each of these programs.

#### *Task 1.3: Statewide Flood Warning System*

##### Deliverables:

1. Implement Arizona Statewide Flood Warning System Optimization and Management Planning Study.
2. Perform maintenance of ADWR-owned radio repeaters and flood warning sensors.
3. Maintain statewide flood warning system central database and website through coordination with SRP and county flood control districts.
4. Make flood warning resources available following disasters, such as wildfires.
  - a. Deploy as necessary and available

*Task 1.4: Perform duties of Arizona state coordinator for the National Flood Insurance Program and the Community Assistance Program State Assistance Grant recipient.*

Deliverables:

1. Support FEMA/ADEM Joint Field Operations flood disaster declarations.
2. Complete between six and ten community assistance visits including preparation of reports, making updates to the FEMA Community Information Systems and necessary community follow-up to resolve identified deficiencies.
3. Present between three and five training workshops for community officials and the private sector.

*Task 1.5 As a FEMA Cooperative Technical Partner, support Arizona's participation in the National Flood Insurance Program*

Deliverables:

1. Assist remaining communities in transitioning to digital flood insurance rate maps.
2. Perform community outreach for communicating local hazards and risk.
3. Coordinate with local communities in identifying flood hazard mapping needs.

*Task 1.6: Develop and Disseminate Non-Regulatory Mapping Products*

Deliverables:

1. Provide non-regulatory hazard mitigation mapping products to floodplain managers and the public.

## **Objective 2: Protect the public by reducing the potential for aquifer contamination and cross-contamination between aquifer units**

*Task 2.1: Administer Well Permitting Program in a manner that protects local aquifers from surface contamination and cross-contamination between aquifer units.*

Deliverables:

1. Maintain and enforce minimum well construction standards
  - a. Surface Casing/Sanitary Seal
  - b. Annual Seals between aquifer units
2. Educate and License well drillers
3. Enforce requirements on non-compliant well drillers

## Agency Summary

### DEPARTMENT OF WATER RESOURCES

Sandy Fabritz-Whitney, Director  
 Phone: (602) 771-8500  
 A.R.S. §§ 45-101 et seq.

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
➤ AGENCY SUPPORT	3,349.5	4,618.6	4,618.6	4,847.9
➤ WATER RESOURCES AND STATEWIDE PLANNING	13,896.3	15,687.5	15,687.5	15,687.5
➤ DAM SAFETY AND FLOOD WARNING	1,616.9	2,054.0	2,054.0	2,054.0
<b>Agency Total:</b>	<b>18,862.7</b>	<b>22,360.1</b>	<b>22,360.1</b>	<b>22,589.4</b>
 <b>Funding:</b>				
	<u><b>FY 2012 Actual</b></u>	<u><b>FY 2013 Estimate</b></u>	<u><b>FY 2014 Estimate</b></u>	<u><b>FY 2015 Estimate</b></u>
General Funds	5,821.9	12,033.3	12,033.3	12,262.6
Other Appropriated Funds	5,373.6	407.2	407.2	407.2
Other Non Appropriated Funds	7,667.2	9,919.6	9,919.6	9,919.6
<b>Total Funding</b>	<b>18,862.7</b>	<b>22,360.1</b>	<b>22,360.1</b>	<b>22,589.4</b>
 <b>FTE Positions</b>	<b>103.3</b>	<b>125.0</b>	<b>125.0</b>	<b>125.0</b>

**Program Summary**

AGENCY SUPPORT

Syndi Reeder, A/D Administration  
 Phone: (602) 771-8500  
 A.R.S. §§ 45-103, 45-105

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	550.1	4,113.5	4,113.5	4,342.8
Other Appropriated Funds	2,768.8	0.0	0.0	0.0
Other Non Appropriated Funds	30.6	505.1	505.1	505.1
<b>Total Funding</b>	<b>3,349.5</b>	<b>4,618.6</b>	<b>4,618.6</b>	<b>4,847.9</b>
<b>FTE Positions</b>	<b>16.8</b>	<b>22.5</b>	<b>22.5</b>	<b>22.5</b>

◆ **Goal 1** To provide timely, accurate and courteous ancillary management services to all customers.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of employees compliant with OSHA training and State loss control guideline requirements	100	100	100	100	100	100
Percent of agency staff indicating satisfaction with the availability and condition of motor pool equipment	100	100	100	100	100	100
Percent of customers indicating satisfaction with the accuracy, timeliness and courtesy of mail distribution	97	97	97	97	97	97

◆ **Goal 2** To assure that vendors and employees receive proper payments in a timely manner.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of vendors indicating satisfaction with the accuracy and timeliness of payments processed	96	96	96	96	96	96

◆ **Goal 3** To provide the Agency with timely financial reports that comply with State and federal regulations.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of financial reports distributed to users within seven days after month-end cut-off	88	88	88	88	88	88

◆ **Goal 4** To provide all Agency managers and supervisors with human resources support in the areas of personnel recruiting, training and employee relations.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of managers and supervisors indicating satisfaction with the services provided	98	98	98	98	98	98

◆ **Goal 5** To provide employees with direction in recruitment, training, grievance avoidance, grievance corrective action and employee relations counseling.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of employees indicating satisfaction with the services provided	98	98	98	98	98	98

- ◆ **Goal 6** To develop business database systems and applications capable of collecting, organizing, maintaining and displaying the data required to meet the needs of the Agency and its constituents.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of users satisfied with Relational Database Management System client-server applications	100	100	100	100	100	100

- ◆ **Goal 7** To provide a stable and secure network and desktop computing environment, reliable telecommunication services and technical support on all Agency hardware and software used by our customers.

<b>Performance Measures</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Estimate</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>
Percent of time servers are available during normal business hours	99	99	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	60	60
Computer systems developed/maintained	96	96	96	96	96	96

**Program Summary**

**WATER RESOURCES AND STATEWIDE PLANNING**

Sandy Fabritz-Whitney, Director  
 Phone: (602) 771-8500  
 A.R.S. Title 45

**This Program Contains the following Subprograms:**

- ▶ Groundwater Management
- ▶ Surface Water Administration and Adjudication
- ▶ Colorado River Management
- ▶ Statewide Planning
- ▶ Hydrology

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	5,072.1	7,006.7	7,006.7	7,006.7
Other Appropriated Funds	2,037.0	266.8	266.8	266.8
Other Non Appropriated Funds	6,787.2	8,414.0	8,414.0	8,414.0
<b>Total Funding</b>	<b>13,896.3</b>	<b>15,687.5</b>	<b>15,687.5</b>	<b>15,687.5</b>
<b>FTE Positions</b>	<b>74.3</b>	<b>89.7</b>	<b>89.7</b>	<b>89.7</b>

**Subprogram Summary**

**GROUNDWATER MANAGEMENT**

Tom Buschatzke, A/D Water Planning Div.  
 Phone: (602) 771-8500  
 A.R.S. §§ 45-104, 45-401 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	564.5	1,372.3	1,372.3	1,372.3
Other Appropriated Funds	818.9	0.0	0.0	0.0
Other Non Appropriated Funds	510.9	1,507.5	1,507.5	1,507.5
<b>Total Funding</b>	<b>1,894.3</b>	<b>2,879.8</b>	<b>2,879.8</b>	<b>2,879.8</b>
<b>FTE Positions</b>	<b>12.1</b>	<b>21.4</b>	<b>21.4</b>	<b>21.4</b>

- ◆ **Goal 1** To conduct special investigations of critical groundwater areas to ensure that management decisions have a sound technical justification.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Permits reviewed and issued for assured and adequate water supply within statutory deadlines	250	250	250	250	250	250

- ◆ **Goal 2** 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).

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Per capita water use in the Active Management	2.74	2.74	2.74	2.74	2.74	2.74

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Areas (in acre feet)						
Percent of water stored to groundwater pumped within the AMA's	25	25	25	25	25	25
Cumulative annual capacity of recharge projects permitted (in thousands)	1,700.00	1,700.00	1,700.00	1,700.00	1,700.00	1,700.00
Percent of surface water to total water used in CAP service area	75	75	75	75	75	75

- ◆ **Goal 3** To maintain a complete and accurate record of groundwater rights and uses in AMAs, irrigation non-expansion areas (INAs) and a registry of wells statewide.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of annual withdrawal reports voluntarily returned	96	96	96	96	96	96
Requests for new production wells (Notices of Intent) granted	7,100	7,100	7,100	7,100	7,100	7,100

**Subprogram Summary**

SURFACE WATER ADMINISTRATION AND ADJUDICATION

Michael Johnson, Assistant Director  
 Phone: (602) 771-8500  
 A.R.S. §§ 45-104, 45-151 et. seq.

Funding:	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,590.0	1,662.3	1,662.3	1,662.3
Other Appropriated Funds	0.0	0.0	0.0	0.0
Other Non Appropriated Funds	27.4	21.8	21.8	21.8
<b>Total Funding</b>	<b>1,617.4</b>	<b>1,684.1</b>	<b>1,684.1</b>	<b>1,684.1</b>
<b>FTE Positions</b>	<b>19.6</b>	<b>21.7</b>	<b>21.7</b>	<b>21.7</b>

- ◆ **Goal 1** To maintain a complete and accurate registry of surface water claims and rights and to process new applications to appropriate surface water. To support Agency priorities by providing timely responses to public and intra-agency requests for information regarding surface water rights.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Applications processed to appropriate surface water	0	0	0	0	0	0
Percent of public and intra-agency information requests met within Agency time frames	0	0	0	0	0	0
Reduction of protested surface water permit applications	0	0	0	0	0	0

- ◆ **Goal 2** To provide accurate and timely analysis of water rights claims and to provide high quality statewide water resource data, reports and assessments in support of the adjudication courts, high priority Agency projects and statewide planning.

Performance Measures	FY 2011 Actual	FY 2012 Estimate	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate
Percent of adjudication court assigned studies completed by established deadlines	0	0	0	0	0	0



**Subprogram Summary**

COLORADO RIVER MANAGEMENT

Perri Benemelis, Manager  
 Phone: (602) 771-8500  
 A.R.S. §§ 45-104, 45-105(A)(2), 45-107

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	172.5	667.1	667.1	667.1
Other Appropriated Funds	552.5	0.0	0.0	0.0
Other Non Appropriated Funds	12.1	28.0	28.0	28.0
<b>Total Funding</b>	<b>737.1</b>	<b>695.1</b>	<b>695.1</b>	<b>695.1</b>
<b>FTE Positions</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>

◆ **Goal 1** To recharge Arizona's unused Colorado River water entitlement as funding and facilities permit.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of unused entitlement recharged	95	95	95	95	95	95

◆ **Goal 2** To analyze and recommend to the Department of the Interior (DOI) the allocation and provisions for contracting of Colorado River water and Central Arizona Project (CAP) water.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of recommendations for water allocations presented to and accepted by the DOI	100	100	100	100	100	100
Percent of recommendations for provisions for contracting presented to and accepted by the DOI	90	90	90	90	90	90

◆ **Goal 3** To protect the interest of Arizona Colorado River water users by advocating policies that promote maximum short-term and long-term beneficial use of Colorado River supplies.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
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	95	95
Percent of Arizona's annual entitlement to Colorado River water beneficially used	100	100	100	100	100	100

**Subprogram Summary**

STATEWIDE PLANNING

Tom Buschatzke, A/D Water Planning Div.  
 Phone: (602) 771-8500  
 A.R.S. §§ 45-104, 45-105

<b>Funding:</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	2,652.5	2,850.0	2,850.0	2,850.0
Other Appropriated Funds	268.2	266.8	266.8	266.8
Other Non Appropriated Funds	6,120.3	6,756.7	6,756.7	6,756.7
<b>Total Funding</b>	<b>9,041.0</b>	<b>9,873.5</b>	<b>9,873.5</b>	<b>9,873.5</b>
<b>FTE Positions</b>	<b>34.6</b>	<b>38.6</b>	<b>38.6</b>	<b>38.6</b>

◆ **Goal 1** To assess and report information on statewide water resource demands and supplies.

<b>Performance Measures</b>	<b><u>FY 2011 Actual</u></b>	<b><u>FY 2012 Estimate</u></b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
Groundwater basin reports produced that profile current and future water supplies and demands, that describe the geologic and hydrologic conditions and that analyze the chemical quality of the water supplies	18	18	18	18	18	18

◆ **Goal 2** To develop strategies that address water resource issues statewide.

<b>Performance Measures</b>	<b><u>FY 2011 Actual</u></b>	<b><u>FY 2012 Estimate</u></b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
Technical assistance projects provided to areas outside AMAs that request support in quantifying and improving management of the area's water resources	12	12	12	12	12	12
Number of rural water studies initiated	4	4	4	4	4	4

◆ **Goal 3** To manage contaminated water at groundwater contamination sites in Arizona.

<b>Performance Measures</b>	<b><u>FY 2011 Actual</u></b>	<b><u>FY 2012 Estimate</u></b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
Permit applications reviewed	1,000	1,000	1,000	1,000	1,000	1,000
Draft and final well inspection rule packages submitted	0	0	0	0	0	0

◆ **Goal 4** 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.

<b>Performance Measures</b>	<b><u>FY 2011 Actual</u></b>	<b><u>FY 2012 Estimate</u></b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
Percent of Authority members expressing satisfaction with staff activity	0	0	100	100	100	100

◆ **Goal 5** To target and expend Water Protection Funds to protect and preserve the flow and quality of water in the streams of Arizona.

<b>Performance Measures</b>	<b><u>FY 2011 Actual</u></b>	<b><u>FY 2012 Estimate</u></b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
New projects funded and contracts written.	0	0	0	3	3	3
Grants that achieve the stated objectives of the Water Protection Fund Commission	0	0	0	100	100	100

**Subprogram Summary**

HYDROLOGY

Frank Corkhill, Assistant Director  
 Phone: (602) 771-8500  
 A.R.S. §§ 45-104, 45-105

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	92.6	455.0	455.0	455.0
Other Appropriated Funds	397.4	0.0	0.0	0.0
Other Non Appropriated Funds	116.5	100.0	100.0	100.0
<b>Total Funding</b>	<b>606.5</b>	<b>555.0</b>	<b>555.0</b>	<b>555.0</b>
<b>FTE Positions</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

- ◆ **Goal 1** To ensure that the Agency and the general public have access to the most accurate and current water resources information available.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Hydrologic Map Series data and modeling reports generated with accurate and timely dissemination	8	8	8	8	8	8
Customer satisfaction rating for Hydrology (scale of 1-8)	8	8	8	8	8	8

- ◆ **Goal 2** 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

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of users satisfied with the use of map products	100	100	100	100	100	100
Percent of users satisfied with desktop GIS tools support	100	100	100	100	100	100

**Program Summary**

**DAM SAFETY AND FLOOD WARNING**

Mike Johnson, Chief Engineer

Phone: (602) 771-8500

A.R.S. §§ 45-1401 et. seq., 45-1501 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	199.7	913.1	913.1	913.1
Other Appropriated Funds	567.8	140.4	140.4	140.4
Other Non Appropriated Funds	849.4	1,000.5	1,000.5	1,000.5
<b>Total Funding</b>	<b>1,616.9</b>	<b>2,054.0</b>	<b>2,054.0</b>	<b>2,054.0</b>

<b>FTE Positions</b>	<b>12.2</b>	<b>12.8</b>	<b>12.8</b>	<b>12.8</b>
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- ◆ **Goal 1** To promote appropriate management of floodplains by evaluating the compliance of the 105 subscribing communities with NFIP and State statutes at least once every five years and by providing technical assistance as requested.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of community assistance visits completed	15	15	15	15	15	15

- ◆ **Goal 2** To design and construct a statewide high-speed data collection and dissemination network.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent completeness of the construction (and/or operational status) of the communications network	100	100	100	100	100	100

- ◆ **Goal 3** To bring dams into compliance with State laws and dam safety guidelines.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of dams classified in a non-emergency unsafe condition	13	13	13	13	13	13
Number of dams within jurisdiction	265	265	265	265	265	265
Determination of jurisdictional status of unregistered dams	5	5	5	5	5	5

- ◆ **Goal 4** To assure that dam design, construction, operation and maintenance are in compliance with State laws and current dam safety guidelines.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of High Hazard Potential Dam Inspections as a percent of standard	100	100	100	100	100	100
Number of Significant Hazard Potential Dam Inspections as a percent of standard	100	100	100	100	100	100
Number of Low Hazard Potential Dam Inspections as a percent of standard	100	100	100	100	100	100
Cost per O&M inspection (in dollars)	950	950	950	950	950	950
Number of Construction Inspections	100	100	100	100	100	100

# Department of Weights and Measures

- Agency 5-Year Strategic Plan
- Agency Goals, Performance Measures, and Funding
- Program Goals, Performance Measures, and Funding

# Department of Weights and Measures

## 5 Year Strategic Plan

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### **Mission Statement**

To protect the integrity of Arizona’s marketplace by ensuring that equity and accuracy are preserved in commerce through fair and equitable regulation and the effective communication of weight and measurement standards.

### **Agency Description**

- Preserve and defend the measurement standards in which all commerce is built upon in order to deliver fair competition in the Arizona marketplace.
- Ensure that commercial devices (scales, taxi, vapor recovery, liquid petroleum gas, etc.) used for the sale of commodities by weight, measure or count, are licensed and accurate.
- Work to prevent unfair dealing by weight, measure or count, and conducts regular inspections and investigations of potential fraud in commodities.
- Maintain the state's primary standards (those measurements upon which all other measurement is based).
- Ensure proper labeling of products sold by weight, measure, or count.
- Ensure that prices are posted and items are scanned correctly. Conducts regular inspections to ensure compliance by retail businesses.
- License weighmasters who are responsible for weight certification at truck stops and other locations for interstate commerce purposes.
- Regulate Arizona Cleaner Burning Gasoline, and regulate vapor recovery environmental programs.

### **Strategic Issues**

- 1) Better Efficiency
- 2) Consumer Protection
- 3) Provide Quality Service
- 4) New legislative mandates
- 5) Shift Inspection Resources
- 6) Update all Standard Operating Procedures (“SOP”)
- 7) Public/Private Partnership
- 8) Corporate Education
- 9) Media Outreach
- 10) Partner with Law Enforcement
- 11) Ensuring Quality Fuel for Arizona

## Strategies

- 1) **Better Efficiency:** In FY2010, at a time when all state government was struggling to meet mandated services despite the economic challenges, the Department introduced an innovative way to keep compliance program productive despite a 20% staff cut and limited resources available. The Department implemented a new mobile resource management program to keep complete and comprehensive daily inspection records, and track work flow each month. This state-of-the-art system combined GPS tracking of the fleet vehicles assigned to Department field investigators, with real time accounting for daily functions such as inspection time, travel time, data entry, and other work related duties. The new system has had a dramatic affect on productivity in which the Department has transitioned from a primary method of tracking and dispatching field investigators via phone (or waiting for investigators to return to the office), to a GPS-enabled system where investigators use the phone application to record job activities and other job duties while in the field. The result: the Department now knows precisely how long it takes to conduct specific inspections, and is able to better allocate resources, improve scheduling, minimize costs, lower wear and tear on equipment via less travel, and maximize the percentage of time spent each day performing inspections. Going forward the objective is to fully utilize this innovative technology to improve performance and better manage resources.
- 2) **Consumer Protection:** After introducing the first coordinated network system in the country that notifies local gas stations of recent skimmer incidents in an effort to defend consumers from these criminal activities; the Department will look to build up this system to further communicate with those petroleum industries and law enforcement agencies that have not yet been included in this important consumer protection program.
- 3) **Provide Quality Service:** The Department already enjoys an outstanding reputation as a state agency known for its strong customer satisfaction; striving to always provide accurate information and quick turnarounds on customer inquiries. The Department looks to improve on this by offering more educational information to consumers, providing additional training to industry, and creating innovative new online services.
- 4) **New legislative mandates:** During the last two legislative sessions, new laws were added to further regulate taxi, livery, and limousine vehicles. The Department will work diligently to conduct these new inspections over this next year and work with industry to address any outstanding legislative issues.
- 5) **Shift Inspection Resources:** The Department is known for regularly inspecting gas stations, grocery stores, taxi cabs, and ensuring retail scales and measuring devices are licensed and certified. As a result, many of the major chains are now maintaining very good and consistent compliance rates. These next few years, the Department intends to expand inspections to focus on where it is needed most by branching out to other areas that show poor compliance or have not been visited in many years. For example, in 2011 and 2012, the Department inspected “We Buy Gold” stores and found an abysmal 39 out of 43 stores inspected had scales with non-compliance issues.
- 6) **Update all Standard Operating Procedures (“SOP”):** SOPs are detailed written instructions to achieve uniformity of how the Department investigators perform duties in the field. It has been many years since these procedures have been updated, yet technology and other improvements have led to changes in practice of conducting such inspections. In the interest of maximizing safety and operational efficiency, the Department staff is hoping to soon

finish the full scale review and analysis of procedures to ensure compliance with state and federal guidelines.

- 7) **Public/Private Partnership:** Arizona businesses and retail industry have been supportive of the Department's overall role as regulators because they too want to discourage unfair and dishonest commerce. As such, the Department will continue efforts to train and test the licensed RSRs and other licensed businesses that install, service, repair, or recondition a commercial measuring device such as gas pumps or scales. By working together directly with the private sector, the marketplace will have more eyes reviewing it for accuracy so Arizona can ensure true equity.
- 8) **Corporate Education:** Over the next few years, the Department will increase efforts to schedule corporate education programs where the Department goes into a market or retail store and shows industry representatives exactly what field investigators are looking for. The Department has found this to be an invaluable assistance to enhance compliance by industry, and helps retail management and their workforce better understand the rules and regulations that everyone must follow.
- 9) **Media Outreach:** The Department is first and foremost a consumer-oriented agency working to establish a level playing field in the marketplace. As such, the Department feels consumers need to be aware of pricing, fuel quality, smart shopping, and safety tips. An aggressive media outreach is planned, with a proactive approach to participate in local media venues like talk shows and distribute media alerts when necessary.
- 10) **Partner with Law Enforcement:** Department investigators came to the rescue of 57 families helping them recover their personal belongings while saving nearly \$100,000 in unwarranted charges. The Department worked directly with federal officials to combat credit card fraud in gas pumps, and participated in a drug operation focused on drug smuggling by taxi drivers. These are proven and successful partnerships that the Department can and should continue to assist with.
- 11) **Ensuring Quality Fuel for Arizona:** Recently, consumers have reported incidents of bad gasoline and contaminants found in engines as a result of non-compliant fuel being sold. One incident involved fuel being blended at a transmix facility on tribal land in Northeast Arizona. As such, the Department intends to partner with local tribes to train and assist them in tracking down such non-compliance and illegal activity.



## Resource Assumptions

	FY 2013 Appropriation	FY 2014 Budget Request	FY2015 Budget Request or Estimate	FY 2016 Estimate	FY 2017 Estimate	FY2018 Estimate
Full-time-equivalent (FTE) Postions	36.4	36.4	36.4	36.4	36.4	36.4
General Fund	\$ 1,787,500	\$ 1,928,200	\$ 1,791,700	\$ 1,791,700	\$ 1,791,700	\$ 1,791,700
Other Appropriated Funds	\$ 1,413,900	\$ 1,440,000	\$ 1,419,100	\$ 1,419,100	\$ 1,419,100	\$ 1,419,100
Non-Appropriated Funds						
Federal Funds						
Total Agency Funds	\$ 3,201,400	\$ 3,368,200	\$ 3,210,800	\$ 3,210,800	\$ 3,210,800	\$ 3,210,800

## Agency Summary

### DEPARTMENT OF WEIGHTS AND MEASURES

Kevin Tyne, Director  
Phone: (602) 771-4923  
A.R.S. § 41-2051

#### Agency Summary: (\$ Thousands)

<b>Program</b>	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
➤ GENERAL SERVICES	1,480.1	1,791.7	1,928.2	1,841.7
➤ AIR QUALITY OXYGENATED FUEL	654.8	800.5	821.4	800.5
➤ VAPOR RECOVERY	643.0	618.6	618.6	618.6
<b>Agency Total:</b>	<b>2,777.9</b>	<b>3,210.8</b>	<b>3,368.2</b>	<b>3,260.8</b>
<b>Funding:</b>				
	<b><u>FY 2012 Actual</u></b>	<b><u>FY 2013 Estimate</u></b>	<b><u>FY 2014 Estimate</u></b>	<b><u>FY 2015 Estimate</u></b>
General Funds	1,159.6	1,472.5	1,609.0	1,522.5
Other Appropriated Funds	1,618.3	1,738.3	1,759.2	1,738.3
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>2,777.9</b>	<b>3,210.8</b>	<b>3,368.2</b>	<b>3,260.8</b>
<b>FTE Positions</b>	<b>33.0</b>	<b>34.0</b>	<b>34.0</b>	<b>34.0</b>

**Program Summary**

GENERAL SERVICES

Liz Atkinson, Operations Manager  
 Phone: (602) 771-4927  
 A.R.S. §§ 41-2051 et. seq.

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	1,159.6	1,472.5	1,609.0	1,522.5
Other Appropriated Funds	320.5	319.2	319.2	319.2
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>1,480.1</b>	<b>1,791.7</b>	<b>1,928.2</b>	<b>1,841.7</b>
<b>FTE Positions</b>	<b>18.0</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>

◆ **Goal 1** To meet targeted compliance rates for all major inspection programs.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of Fuel Dispensing device inspections.	15,773	22,050	25,695	25,000	25,000	25,000
Number of Fuel Dispensing device in compliance.	97	93	90	90	90	90

◆ **Goal 2** To license all retailers who use commercial weighing devices; all companies who install, service, or test weighing and measuring devices.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Total Devices.	116,989	114,000	123,246	124,000	124,000	124,000
Average number of days to process applications.	5	5	5	5	5	5

◆ **Goal 3** To improve customer service.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of days to respond to consumers that place a complaint with the Department.	6	10	8	10	10	10

**Program Summary**

AIR QUALITY OXYGENATED FUEL

Liz Atkinson, Operations Manager

Phone: (602) 771-4927

A.R.S. §§ 41-2065.(A)(14)(15), (D), (E), 41-2082, and 2121

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	654.8	800.5	821.4	800.5
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>654.8</b>	<b>800.5</b>	<b>821.4</b>	<b>800.5</b>
<b>FTE Positions</b>	<b>5.5</b>	<b>6.5</b>	<b>6.5</b>	<b>6.5</b>

◆ **Goal 1** To monitor the quality of gasoline and diesel products through the collection and analysis of fuel samples.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Non-CBG samples tested.	689	745	519	695	695	695
AzCBG samples tested.	715	800	318	550	550	550

◆ **Goal 2** To expand the use of technology in the fuel sampling and testing process.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Number of samples sent to the laboratory for analysis.	549	345	332	345	345	345
Number of samples tested by Zeltex field instrument	859	900	505	900	900	900

**Explanation:** Number of samples tested using Zeltex field instrument

**Program Summary**

VAPOR RECOVERY

Liz Atkinson, Operations Manager

Phone: (602) 771-4927

A.R.S. §§ 41-2065(A)(4), 41-2131 to 41-2134

<b>Funding:</b>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
General Funds	0.0	0.0	0.0	0.0
Other Appropriated Funds	643.0	618.6	618.6	618.6
Other Non Appropriated Funds	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>643.0</b>	<b>618.6</b>	<b>618.6</b>	<b>618.6</b>
<b>FTE Positions</b>	<b>9.5</b>	<b>6.5</b>	<b>6.5</b>	<b>6.5</b>

◆ **Goal 1** To ensure that new vapor recovery systems meet equipment and performance requirements.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
At least 50% of all the vapor recovery annual test will be witnessed by the Department.	38	50	61	50	50	50

◆ **Goal 2** To ensure that existing vapor recovery systems meet operation and maintenance requirements.

<b>Performance Measures</b>	<u>FY 2011 Actual</u>	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Estimate</u>	<u>FY 2014 Estimate</u>	<u>FY 2015 Estimate</u>
Percent of facilities inspected annually that are in compliance.	93	89	86	90	90	90



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*.<sup>1</sup>

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**accountability** Monitoring, measuring, and evaluating the performance and progress of policies, plans and programs to ensure that results are achieved.

**actual expenditures** Expenditures made in the prior *fiscal year* as reported in the State of Arizona Annual Financial Report, including *Personal Services*, *Employee-Related Expenditures*, *All Other Operating Expenditures*, and all *special line items* as authorized by the Legislature.

**administrative adjustments** Adjustments made to reflect expenditures made by an agency after the close of the *fiscal year*. Administrative adjustments include the time period from the close of the 13th month to June 30 of the next fiscal year.

**administrative costs** Expenses associated with the support, management, and oversight of services delivered pursuant to the agency or program *mission*. Typical administrative costs include those associated with accounting, human resources, budgeting, strategic planning, public information, auditing, executive management, etc.

**All Other Operating Expenditures (AOOE)** Category of expenditure accounts that include Professional and Outside Services, In-State Travel, Out-of-State Travel, Food, *Other Operating Expenditures*, and *Equipment*.

**Annual Budget Unit** Agencies that are required, pursuant to Laws 2002, Chapter 210, to submit annual budget requests. There are 17 such agencies; the remaining State agencies are biennial budget units.

**annualization** An adjustment, made to the current year funding base, that will allow a partially-funded program to operate for a full year or that accounts for a full-year of budget savings due to mid-year reductions.

**appropriated fund** The Legislatively mandated segregation of funds. It is used and monitored by the *General Accounting Office* as a separate self-balancing set of accounts.

**Arizona Administrative Code** State agency rules of practice setting forth the nature and requirements of all formal procedures available to the public.

**Arizona Financial Information System (AFIS)** The statewide accounting system maintained by the Department of Administration.

**Arizona Health Care Cost Containment System (AHCCCS)** The State's Medicaid program, designed to deliver quality managed health care to qualifying individuals.

**Arizona Revised Statutes (A.R.S.)** The laws governing the State of Arizona.

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**baseline budget** An adjusted budget base that reflects the current year appropriation, amended to include *standard adjustments* and legally required actions, such as statutorily mandated funding formulas.

**below-the-line items** Specific expenditure or budgetary accounts that have been singled out through the appropriation process to provide high visibility of expenditure. Also known as *special line items*.

**biennial budgeting** A process that estimates revenues and expenditures for a two-year period.

**block grant** Allocations of federal money to a state or its subdivisions in accordance with a distribution formula prescribed by law or administrative regulation, for activities of a continuing nature within a restricted subject area (e.g., social services, maternal and child health, and childcare).

**budget** A financial plan that estimates the revenues and expenditures for a given period of time. (SEE ALSO: *capital outlay* and *operating budget*).

**budget program** Functions and activities of a *budget unit* or within a budget unit that are pre-planned to fulfill a distinct *mission*.

**budget reform legislation** Refers to the provisions contained in Laws 1993, Chapter 252; Laws 1994, Chapter 218; Laws 1995, Chapter 283; Laws 1996, Chapter 339; Laws 1997, Chapter 210; and Laws 2002, Chapter 210.

**budget unit** A department, commission, board, institution or other State organization receiving, expending, disbursing, or incurring obligations against State funds.

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**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

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<sup>1</sup> Italicized terms are defined in this Glossary.

State-owned rental space are deposited. Monies are used for facilities operations and maintenance and for other expenditures as appropriated by the Legislature.

**categorical eligibility** Automatic eligibility for certain federal-State matched public assistance programs, based on criteria established in federal law. Admission to a program (e.g., Medicaid) is mandatory to certain groups of beneficiaries who meet the legal criteria for eligibility to the specified program.

**categorical programs** A broad category of joint Federal-State public assistance programs that provide financial assistance to individuals or that may subsidize a particular activity (e.g., Medicaid pays for medical services on behalf of certain groups of low-income persons).

**certificate of participation (COP)** A financing tool used by the State for the acquisition and construction of State facilities.

**classification salary adjustment (CSA)** The review of positions within a specific class to determine whether a change in class or salary is warranted. A CSA is conducted by the Human Resources Division of the Department of Administration.

**comptroller object code** A four-digit code used within the statewide accounting system to identify the detailed revenue or expenditure account affected by a transaction; the lowest level in the object structure.

**continuing appropriation** An appropriation that is authorized beyond the end of a fiscal year without further Legislative action, period after period, until altered or revoked or liquidated by expenditure.

**cost center** The allocation of resources by functional area within an agency.

**current services budget** A financial plan that incorporates the *base budget* needs of an agency and the addition of funding to support demographic growth in client caseloads and workload functions.

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**decision package** A funding request made by State agencies.

**detail fund** A fund designation used in the statewide accounting system to segregate agency-specific activity. The balance of an *appropriated fund* is comprised of the sum of all of its detail funds.

**Disproportionate Share Hospital (DSH)** A hospital that serves a disproportionate share of low-income and Medicaid patients, thereby qualifying for federal aid pursuant to Section 1923 of the Social Security Act. The federal basis for payments is either a reflection of a hospital's number of Title XIX in-patient days or a "low-income" utilization rate. States may also establish optional payment categories. Arizona has established optional groups that include county, State and private hospitals.

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**Employee-Related Expenditures (ERE)** The State's contribution to an employee's benefit package. ERE include FICA; retirement; Worker's Compensation; health, dental, and life insurance; unemployment insurance; Personnel Division charges; information technology charges; and uniforms for certain classes of employees.

**entitlement programs** A broad category of categorical public assistance programs that provide services (e.g., cash assistance, medical services, etc.) to certain population groups (e.g., low-income families with minor children). Admission is often mandatory for qualified individuals who meet the legal eligibility criteria (e.g., individuals who are low-income and aged, blind or disabled), hence the reference "entitlement."

**equipment** In the operating budget, a specific item of expenditure divided into capitalized equipment (purchased for \$5,000 or more) and non-capitalized equipment (usually between \$300 and \$4,999).

**ERE rate** The quotient of *Employee-Related Expenditures* and *Personal Services* expressed as a percentage.

**expansion populations** Persons who have annual incomes of not more than 100% of the *Federal Poverty Level* and that qualify for AHCCCS benefits due to the expansion of eligibility as a result of Proposition 204.

**Executive Issue** An adjustment to the prior-year appropriation to change the scope of current programs or service levels.

**expenditures** See *actual expenditures*.

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**federal budget neutrality** A concept intended to ensure that a waiver cannot be expected to cost the federal government more than it would have cost without the waiver. Arizona is subject to "federal budget neutrality" as part of its 100% of FPL waiver. The waiver is for a five-year period that began on October 1, 2006, and expires September 30, 2011.

**federal funds** Amounts collected and made available to the State by the federal government, usually in the form of *categorical* or *block grants*, and *entitlements*.

**Federal Insurance Contribution Act (FICA)** Requires employees and employers to make matching contributions into the Social Security fund.

**Federal Poverty Level (FPL)** Refers to the poverty guidelines, in relation to income standards, as updated annually in the FEDERAL REGISTER by the U.S. Department of Health and Human Services.

**Federal Waiver Program** Experimental, pilot, or demonstration projects that, in the judgment of the Secretary of the U.S. Department of Health and Human Services, are likely to assist in promoting the objectives of



the Medicaid Statute. Projects approved under this authority are referred to as “waiver” programs.

**fiscal year** The State’s yearly accounting period beginning July 1 and ending June 30. (The federal fiscal year begins October 1 and ends September 30.)

**full-time equivalent (FTE) position** A position budgeted at 2,080 hours per year.

**fund** An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities, which are segregated for the purpose of carrying on specific activities in accordance with limitations, restrictions or regulations.

**fund balance** The excess of the assets of a fund over its liabilities and reserves.

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**General Accounting Office (GAO)** A division of the Department of Administration that provides diverse statewide financial services and ensures compliance with related *statutes* and rules.

**General Fund** The primary State account into which monies are collected for the general purposes of government. The primary sources of revenues for the General Fund include sales taxes, income taxes, and property taxes. The General Fund is also the major expenditure source from which agencies make payments for specified purposes.

**grant anticipation note (GAN)** A federal finance tool involving bonding that can be issued by the State Transportation Board. The issuance of a GAN allows the State to fund and accelerate highway construction projects with anticipated federal monies.

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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 Committee on Capital Review (JCCR)** Created by Laws 1986, Chapter 85, to establish the Building Renewal Formula, approve the creation of Building Systems, and review the State Capital Improvement Plan. The JCCR is also responsible for reviewing all construction projects before commencement of the project. The JCCR consists of the following 14 members of the Legislature: Chairs of the House and Senate Appropriations Committees, majority and minority leaders from the House and Senate, four members of the House Appropriations Committee, and four members of the Senate Appropriations Committee.

**Joint Legislative Budget Committee (JLBC)** A Legislative committee consisting of the following 16 members of the Legislature: Majority Leaders of both the House and Senate, Chairs of both the House and Senate Appropriations Committees, Chair of the Senate Finance Committee, Chair of the House Ways and Means Committee, five members of the House Appropriations Committee, and five members of the Senate Appropriations Committee. The JLBC meets as often as is necessary to transact business related to fiscal management of the State’s resources.

**Joint Legislative Budget Committee Staff** The Legislative counterpart to the Governor’s *Office of Strategic Planning and Budgeting (OSPB)*. The Joint Legislative Budget Committee Staff is often referred to as the JLBC but should not be confused with the legislative committee of the same name. The JLBC Staff prepares an analysis of the Executive Budget as soon as it is presented to the Legislature. The analysis includes the JLBC Staff’s recommendations for revisions in expenditures.

**Joint Substance Abuse Treatment Program (JSAT)** Also known as “Arizona Families First,” JSAT is a substance abuse program jointly administered by the Department of Economic Security and the Department of Health Services. The program pays for services to parents, guardians or custodians whose substance abuse is a significant barrier to preserving the family. Services can also be provided to federal TANF Block Grant recipients whose substance abuse is a significant barrier to obtaining or maintaining employment.

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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, and intended to reduce the number of uninsured low-income children nationwide. Administered by AHCCCS, KidsCare is Arizona’s response to SCHIP. KidsCare, which was implemented November 1, 1998, is for children up to age 18 whose household incomes exceed the Title XIX eligibility limits but are below 200% of the *Federal Poverty Level (FPL)*.

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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 fiscal year. At the end of this period (including an *administrative adjustment* period), unexpended or unencumbered balances revert to the fund from which the appropriation was made. Also known as a “reverting appropriation.”

**line item appropriation** A method of appropriation that separates the budget into specific objects of expenditure. The specific items include *Personal Services, ERE, Professional and Outside Services, In-State Travel, Out-of-State Travel, Food, Other Operating Expenditures, and Equipment*.

**lump-sum appropriation** An appropriation made for a stated purpose, or for a named department, without specifying further the amounts that may be spent for specific activities or for particular objects of expenditure.

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**Master List** *Budget reform legislation* requires OSPB to publish a list of programs run by or overseen by State government. Laws 2002, Chapter 210 slightly changed the format of the Master List and designated this annual submittal as the operational plan for State agencies and conformed to the budget cycles. Required information for each agency, program, and subprogram includes the agency description, *mission* statement, strategic issues, and financial and FTE position information, as well as the description, *mission* statements, goals, and *performance measures* for all programs and subprograms.

**means-tested program** Eligibility to a public assistance program restricted by an applicant's income or other resources specified by law. Resources include bank accounts and similar liquid assets as well as real estate, automobiles and other personal property whose value exceeds specified financial limits.

**mission** A brief, comprehensive statement of purpose of an agency, program, or subprogram.

**modified lump-sum appropriation** A method of appropriation in which *Personal Services*, *Employee-Related Expenditures*, *All Other Operating Expenditures* and *below-the-line items* are specified in the appropriations bill.

**modified standard adjustment** The difference, as calculated by the agency, between the actual *Personal Services* base and the amount allocated for Personal Services by the agency in its expenditure plan. Any amount identified as a modified standard adjustment must be explained by the agency requesting the adjustment.

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**non-appropriated funds** Generally, funds set up as enterprise or revolving funds. These funds have expenditure authority granted by statute, constitution, or ballot and, typically, are not subject to the annual or biennial appropriation process.

**non-lapsing appropriation** An appropriation that does not revert so that the expenditure authority continues beyond the end of the *fiscal year*, as provided by law. (SEE ALSO: *continuing appropriation*).

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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 (SEE *capital outlay*). An operating budget is composed of various objects of expenditure, such as *Personal Services*, *ERE*, In-State Travel, etc.

**operational plan** A practical, action-oriented guide that directs goal-setting to achieve meaningful results with the existing resources through the shorter budget cycle period. The operational plan should provide incremental steps towards achieving the strategic long-range plan. (SEE ALSO: *Master List*).

**Other Appropriated Funds** All amounts, excluding *General Fund* amounts, appropriated by the Legislature for pre-determined uses. These include Special Revenue Funds, revolving funds, etc.

**Other Operating Expenditures** According to the ARIZONA ACCOUNTING MANUAL, everything using a comptroller object code of 7000. This refers to operating expenditures necessary to operate a budget unit, e.g., office supplies, utilities, communication, etc.

**outcome** A *performance measure* that reflects the actual results achieved, as well as the impact or benefit, of a program.

**output** A *performance measure* that focuses on the level of activity in a particular program or subprogram.

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**per diem compensation** Compensation paid to board or commission members for their work. Per diem compensation is a daily rate set statutorily.

**per diem travel** Cost of meals and incidentals reimbursed to employees and board or commission members.

**performance accountability** A means of judging policies and programs by measuring their progress toward achieving agreed-on *performance targets*. Performance accountability systems are composed of three components: defining performance measures (including outcomes), measuring performance and reporting results.

**performance measures** Used to measure results and ensure accountability. (SEE ALSO: *input*, *output*, *outcome*, and *quality*).

**performance targets** Quantifiable estimates of results expected for a given period of time.

**personal services** Line item of expenditure for salaries and wages paid to employees, elected officials and board or commission members. Payments for leave categories, overtime and other miscellaneous earnings are also recorded in this line item.

**privately owned vehicle (POV)** Those miles to be used in calculating reimbursement of staff for use of private vehicles on State business.

**privatization** The opening of government markets allowing for equitable competition between the private and public sectors for the privilege of delivering services to the public.

**program budgeting** A budget system that focuses on program *missions*, program achievements, and program cost effectiveness. Pursuant to *statute*, the *program structure* for program budgeting is governed by *The Master List of State Government Programs* structure. Program budgeting is linked to planning and *accountability* through alignment of the structures and merging of the planning and budget information.

**program enhancement** An upward revision in the funding level of a specific program in order to enhance the level of services being provided by that program.

**program structure** An orderly, logical arrangement of an organization's programs and subprograms. This structure provides the framework for planning, budgeting and strategic program authorization review.

**Proposition 204 Medical Program** A voter-approved AHCCCS program that expands eligibility to include individuals whose annual incomes are at or below 100% of the *Federal Poverty Level (FPL)*. The program is funded through monies received by the State from the tobacco litigation settlement tobacco tax funds and the State General Fund.

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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** Determination and allotment of resources or assets necessary to carry out strategies within the priority framework established in the goal-setting process.

**revenue** Additions to assets that do not increase any liability, do not represent the recovery of an expenditure, do not represent the cancellation of certain liabilities without a corresponding increase in other liabilities or a decrease in

assets, or do not represent contributions of fund capital in Enterprise and Intergovernmental Service Funds.

**risk management** The charges assessed by the Department of Administration to guard against the risk of loss by an employee or agency acting on behalf of the State of Arizona.

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**special line items** See *below-the-line items*

**standard adjustments** The most basic changes made to the current year's appropriation as part of arriving at the new year's *baseline budget*. Examples of standard adjustments include *annualization* of programs partially funded during the previous year; rent, risk management, or employee-related expenses adjustments; and reversing one-time increases and decreases enacted the previous year.

**State service** All offices and positions of employment in State government except those specifically exempted by law from the State personnel system.

**statute** A written law, either new or revised, enacted by the Legislature and signed by the Governor.

**strategic management** Process of positioning an organization so it can prosper in the future. The overall framework within which policy development, planning, budgeting, program implementation, and evaluation and *accountability* take place.

**strategic plan** A visionary guide, based on an examination of internal and external environmental and political factors, that directs goal-setting and future resource requirements to achieve meaningful *results* over time. Strategic projections are long-range and usually cover a five-year period.

**Strategic Program Authorization Review (SPAR)** A formal review of selected State government programs, *subprograms* or crosscutting functions. The SPARs determine if programs are retained, eliminated or modified.

**subprogram** An integral component of a program that can be separately analyzed to gain a better understanding of the larger program.

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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.

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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 Depart-

ment of Administration: merit increases for State employees, funding for reclassified positions, or the creation of new positions that exceed the total number of authorized *FTE*, as approved by the Legislature.

# Acronyms

<b>A.R.S.</b> Arizona Revised Statutes	<b>AOOE</b> All Other-Operating Expenditures	<b>CJEF</b> Criminal Justice Enhancement Fund
<b>AAC</b> Arizona Administrative Code	<b>AOT</b> Arizona Office of Tourism	<b>CLIA</b> Clinical Lab Inspections Act
<b>ABOR</b> Arizona Board of Regents	<b>APP</b> Aquifer Protection Permit	<b>CMDP</b> Comprehensive Medical and Dental Plan
<b>ACJC</b> Arizona Criminal Justice Commission	<b>APS</b> Adult Protective Services	<b>CMR</b> Classification Maintenance Review
<b>ACJIS</b> Arizona Criminal Justice Information System	<b>ARF</b> Automation Revolving Fund	<b>COP</b> Certificate of Participation
<b>ACPE</b> Arizona Commission for Postsecondary Education	<b>ARRT</b> American Registry of Radiological Technologists	<b>COSF</b> Capital Outlay Stabilization Fund
<b>ACW</b> Arizona Center for Women	<b>ASDB</b> Arizona School for the Deaf and the Blind	<b>CPS</b> Child Protective Services
<b>ADA</b> Americans with Disabilities Act	<b>ASH</b> Arizona State Hospital	<b>CRIPA</b> Civil Rights of Institutionalized Persons Act
<b>ADC</b> Arizona Department of Corrections	<b>ASPC</b> Arizona State Prison Complex	<b>CRS</b> Children's Rehabilitative Services
<b>ADE</b> Arizona Department of Education	<b>ASRS</b> Arizona State Retirement System	<b>CSMS</b> Combined Support Maintenance Shop
<b>ADJC</b> Arizona Department of Juvenile Corrections	<b>ASU</b> Arizona State University	<b>CSO</b> Correctional Service Officer
<b>ADM</b> Average Daily Membership	<b>ATA</b> Automobile Theft Authority	<b>CWA</b> Clean Water Act
<b>ADMIN</b> Administration	<b>ATDA</b> Arizona Technology Development Authority	<b>CWRF</b> Clean Water Revolving Fund
<b>ADOA</b> Arizona Department of Administration	<b>AVSC</b> Arizona Veterans' Service Commission	<b>DACS</b> Division of Aging and Community Services
<b>ADOT</b> Arizona Department of Transportation	<b>AZAFIS</b> Arizona Automated Fingerprint Identification System	<b>DBME</b> Division of Benefits and Medical Eligibility
<b>ADP</b> Average Daily Population	<b>AZGS</b> Arizona Geological Survey	<b>DCFS</b> Division of Children and Family Services
<b>AERB</b> Agriculture Employment Relations Board	<b>BIFO</b> Border Infrastructure Finance Office	<b>DD</b> Dually Diagnosed or Developmentally Disabled
<b>AFDC</b> Aid for Families with Dependent Children	<b>CAE</b> Commission on the Arizona Environment	<b>DDD</b> Division of Developmental Disabilities
<b>AFIS</b> Arizona Financial Information System	<b>CAP</b> Child Abuse Prevention	<b>DDSA</b> Disability Determination Services Administration
<b>AFUND</b> Appropriated Fund	<b>CBHS</b> Children's Behavioral Health Services	<b>DEA</b> Drug Enforcement Account
<b>AG</b> Attorney General	<b>CCDF</b> Child Care Development Fund	<b>DEMA</b> Department of Emergency and Military Affairs
<b>AGFD</b> Arizona Game and Fish Department	<b>CEDC</b> Commerce and Economic Development Commission	<b>DEQ</b> Department of Environmental Quality
<b>AHCCCS</b> Arizona Health Care Cost Containment System	<b>CERF</b> Collection Enforcement Revolving Fund	<b>DERS</b> Division of Employment and Rehabilitative Services
<b>AHS</b> Arizona Historical Society	<b>CHC</b> Community Health Center	<b>DES</b> Department of Economic Security
<b>AIDA</b> Arizona International Development Authority	<b>CHILDS</b> Children's Information Library and Data Source	<b>DHS</b> Department of Health Services
<b>ALTCS</b> Arizona Long-Term Care System	<b>CIS</b> Client Information System	<b>DJC</b> Department of Juvenile Corrections

**DOA** Department of Administration

**DOI** Department of Insurance

**DOR** Department of Revenue

**DPS** Department of Public Safety

**DSH** Disproportionate Share Hospital

**DUI** Driving Under the Influence

**DWR** Department of Water Resources

**EAC** Eligible Assistance Children

**EDP** Electronic Data Processing

**EEO** Equal Employment Opportunity

**ELIC** Eligible Low-Income Children

**EMS** Emergency Medical Services

**EMSCOM** Emergency Medical Services Communications

**EMSOF** Emergency Medical Services Operating Fund

**EPA** Environmental Protection Agency

**EPSDT** Early and Periodic Screening, Diagnostic, and Treatment

**ERE** Employee-Related Expenditures

**FES** Federal Emergency Services

**FFP** Federal Financial Participation

**FHAMIS** Family Health Administration Management Information System

**FICA** Federal Insurance Contribution Act

**FMAP** Federal Matching Assistance Payments

**FMCS** Financial Management Control System

**FPL** Federal Poverty Level

**FTE** Full-Time Equivalent

**FTF** First Things First (Early Childhood Development and Health Board)

**GAAP** Generally Accepted Accounting Principles

**GADA** Greater Arizona Development Authority

**GAO** General Accounting Office

**GDP** Gross Domestic Product

**GIITEM** Gang and Immigration Intelligence Team Enforcement Mission

**GITA** Government Information Technology Agency

**H.B.** House Bill

**HAP** Hazardous Air Pollutant

**HCBS** Home and Community Based Services

**HMO** Health Maintenance Organization

**HRMS** Human Resource Management System

**HURF** Highway User Revenue Fund

**IGA** Intergovernmental Agreement

**IHS** Indian Health Service

**IM 240** Inspection and Maintenance 240 Second Emission Test

**IOCC** Inter-State Oil Compact Commission

**IRM** Information Resource Management

**IRMG** Information Resource Management Group

**ISD** Information Services Division

**ISP** Institutional Support Payments

**IT** Information Technology

**ITAC** Information Technology Authorization Committee

**JCCR** Joint Committee on Capital Review

**JCEF** Judicial Collection Enhancement Fund

**JLBC** Joint Legislative Budget Committee

**JOBS** Job Opportunity and Basic Skills

**LAN** Local Area Network

**LES** Licensing and Enforcement Section

**LGIP** Local Government Investment Pool

**LTC** Long Term Care

**MAG** Maricopa Association of Governments

**MAO** Medical Assistance Only

**MARS** Management and Reporting System

**MD** Multiply Disabled

**MDSSI** Multiply Disabled Severely Sensory Impaired

**MEDICS** Medical Eligibility Determinations and Information Control System

**MIPS** Million Instructions Per Second or Medicaid in the Public Schools

**MIS** Management Information System

**MNMI** Medically Needy Medically Indigent

**MVD** Motor Vehicle Division

**NADB** North American Development Bank

**NAFTA** North American Free Trade Agreement

**NAIC** National Association of Insurance Commissioners

**NAU** Northern Arizona University

**NLCIFT** National Law Center for Inter-American Free Trade

**NRCD** Natural Resource Conservation District

**OAH** Office of Administrative Hearings

**OGCC** Oil and Gas Conservation Commission

**OPM** Office of Pest Management

**OSHA** Occupational Safety and Health Administration

**OSPB** Office of Strategic Planning and Budgeting

**PAS** Prior Authorization Screening

**PASARR** Pre-admission Screening and Annual Resident Review

**PDSB** Phoenix Day School for the Deaf

**PERIS** Public Employee Retirement Information System

**POV** Privately Owned Vehicle

**PRWORA** Personal Responsibility and Work Opportunity Reconciliation Act of 1986

**PS** Personal Services

**PSPRS** Public Safety Personnel Retirement System

**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

**S.B.** Senate Bill

**SAMHC** Southern Arizona Mental Health Center

**SAVE** Systematic Alien Verification for Entitlements

**SBAC** Small Business Assistance Center

**SBCS** State Board for Charter Schools

**SBE** State Board of Education

**SBIR** Small Business Innovative Research

**SBOE** State Board of Equalization

**SCHIP** State Children's Health Insurance Program

**SDWA** Safe Drinking Water Act

**SDWRF** Safe Drinking Water Revolving Fund

**SES** State Emergency Services

**SFB** School Facilities Board

**SLI** Special Line Item

**SLIAG** State Legalization Impact Assistance Grant

**SMI** Serious Mental Illness or Seriously Mentally Ill

**SOBRA** Sixth Omnibus Budget Reconciliation Act

**SPAR** Strategic Program Authorization Review

**SPO** State Purchasing Office

**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** Statewide Cost Allocation Plan

**T&R** Title and Registration

**TANF** Temporary Assistance for Needy Families

**TB** Tuberculosis

**TCC** Transitional Child Care

**TDD** Telecommunication Devices for the Deaf

**TIFS** Tourism Investment Fund Sharing

**TPO** Telecommunications Program Office

**UA** University of Arizona

**UAHSC** University of Arizona Health Sciences Center

**USAS** Uniform Statewide Accounting System

**USGS** United States Geological Survey

**UST** Underground Storage Tank

**VA** Veterans Affairs

**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

**WFRJT** Work Force Recruitment and Job Training

**WIA** Workforce Investment Act Federal Block Grant

**WICHE** Western Interstate Commission on Higher Education

**WIFA** Water Infrastructure Finance Authority

**WIPP** Work Incentive Pay Plan

**WPF** Water Protection Fund

**WQAB** Water Quality Appeals Board

**WQARF** Water Quality Assurance Revolving Fund