

## Office of Administrative Hearings

JLBC: Nick Klingerman  
 OSPB: Antonio Hardeman

DESCRIPTION	FY 2004 ACTUAL	FY 2005 ESTIMATE	FY 2006 JLBC	FY 2007 JLBC
<b>OPERATING BUDGET</b>				
<i>Full Time Equivalent Positions</i>	15.0	15.0	15.0	15.0
Personal Services	634,500	668,000	668,000	668,000
Employee Related Expenditures	216,500	232,200	199,900	199,900
Professional and Outside Services	1,800	1,900	1,900	1,900
Travel - In State	5,100	5,100	5,100	5,100
Other Operating Expenditures	213,000	210,900	243,200	243,200
Equipment	18,900	0	0	0
<b>AGENCY TOTAL</b>	<b>1,089,800</b>	<b>1,118,100</b>	<b>1,118,100</b>	<b>1,118,100</b>

### FUND SOURCES

General Fund	1,075,900	1,104,200	1,104,200	1,104,200
<u>Other Appropriated Funds</u>				
AHCCCS Donations Fund	13,900	13,900	13,900	13,900
SUBTOTAL - Other Appropriated Funds	13,900	13,900	13,900	13,900
<b>SUBTOTAL - Appropriated Funds</b>	<b>1,089,800</b>	<b>1,118,100</b>	<b>1,118,100</b>	<b>1,118,100</b>
Other Non-Appropriated Funds	1,339,600	1,317,400	1,317,400	1,317,400
<b>TOTAL - ALL SOURCES</b>	<b>2,429,400</b>	<b>2,435,500</b>	<b>2,435,500</b>	<b>2,435,500</b>

### CHANGE IN FUNDING SUMMARY

	FY 2005 to FY 2006 JLBC		FY 2005 to FY 2007 JLBC	
	\$ Change	% Change	\$ Change	% Change
General Fund	0	0.0%	0	0.0%
Other Appropriated Funds	0	0.0%	0	0.0%
Total Appropriated Funds	0	0.0%	0	0.0%
Non Appropriated Funds	0	0.0%	0	0.0%
Total - All Sources	0	0.0%	0	0.0%

**AGENCY DESCRIPTION** — The Office of Administrative Hearings (OAH) is an independent office whose services and personnel are to be used by all state agencies to conduct administrative hearings, unless exempted by law. All agencies supported by other appropriated or non-appropriated funding sources are to contract for administrative hearing services from the office. The Director shall assign Administrative Law Judges (ALJ) from the office to an agency, on either a temporary or permanent basis, to preside over contested cases in accordance with the special expertise of the ALJ in the subject matter of the agency.

PERFORMANCE MEASURES	FY 2003	FY 2004	FY 2005	FY 2006
	Actual	Actual	Estimate	JLBC
• Number of hearings held	3,980	4379	3,980	--
• Average days from request for hearing to transmission of the decision to the agency (NEW)	72	72	--	70
• Average days from request for hearing to first date of hearing	51	53	51	--
• Average days from the first scheduled hearing to its conclusion	9	8	9	--
• Average days from the conclusion of the hearing to transmission of the decision to the agency	12	11	10	--
• Evaluations rating the ALJ "excellent" or "good" in impartiality	97	95	98	97
• Administration as a % of total cost	6.6	6.4	6.7	--

**Comments:** The JLBC Staff recommends a new performance measure for the average days from request for hearing to transmission of the decision to the agency, which consolidates 3 previous measures for the hearings process into a single timeframe. The average number of days from request for hearing to transmission of the decision has not changed since FY 2003. The percent of evaluations rating the ALJ "excellent" or "good" in impartiality has not changed substantially since FY 2003.

**RECOMMENDED CHANGES FROM FY 2005**

**JLBC RECOMMENDED FOOTNOTES**

**Operating Budget**

*Standard Footnotes*

The JLBC recommends \$1,118,100 for the operating budget in FY 2006 and FY 2007. These amounts consist of \$1,104,200 from the General Fund and \$13,900 from the AHCCCS Donations Fund. These amounts are unchanged from FY 2005.

The Office of Administrative Hearings shall enter into interagency service agreements to provide services pursuant to Title 41, Chapter 6, Article 10, Arizona Revised Statutes.

\* \* \*

**JLBC RECOMMENDED FORMAT — Lump Sum by Agency**

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
<b>AHCCCS Donations (HCA3197/A.R.S. § 36-2913)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Interagency Agreement with AHCCCS.		
<b>Purpose of Fund:</b> To reimburse the Office of Administrative Hearings (OAH) for hearings and associated personnel cost for grievances related to Health Care Group, which is AHCCCS' health insurance plan for small businesses.		
<b>Funds Expended</b>	13,900	13,900
<b>Year-End Fund Balance</b>	0	0
<b>IGA and ISA (HGA2500/A.R.S. § 41-1092.01)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Monies received by OAH for contractual, administrative law judge services provided to state agencies.		
<b>Purpose of Fund:</b> To cover actual expenses of providing personnel and services to state agencies on a contractual basis.		
<b>Funds Expended</b>	1,339,600	1,317,400
<b>Year-End Fund Balance</b>	10,700	10,700

[Click here to return to the Table of Contents](#)