

**Department of Economic Security  
Administration**

JLBC: Eric Jorgensen  
OSP: Chris Hall

DESCRIPTION	FY 2005 ACTUAL	FY 2006 ESTIMATE	FY 2007 JLBC
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	307.2	299.2	299.2
Personal Services	11,413,600	12,184,100	12,184,100
Employee Related Expenditures	3,323,800	3,651,600	3,651,600
Professional and Outside Services	586,600	183,600	183,600
Travel - In State	109,300	116,900	116,900
Travel - Out of State	44,100	40,100	40,100
Other Operating Expenditures	15,883,200	18,779,000	19,859,600
Equipment	657,600	583,700	583,700
<b>OPERATING SUBTOTAL</b>	<b>32,018,200</b>	<b>35,539,000</b>	<b>36,619,600</b>
<b>SPECIAL LINE ITEMS</b>			
Finger Imaging	516,100	726,700	726,700
Lease Purchase Equipment	1,463,400	1,799,000	1,799,000
Public Assistance Collections	299,200	485,700	485,700
Attorney General Legal Services	484,000	657,400	657,400
Information and Referral	115,400	0	0
Triagency Disaster Recovery	699,200	271,500	271,500
<b>PROGRAM TOTAL</b>	<b>35,595,500</b>	<b>39,479,300</b>	<b>40,559,900</b>

**FUND SOURCES**

General Fund	27,500,700	30,023,600	31,104,200
<u>Other Appropriated Funds</u>			
Federal CCDF Block Grant	1,068,600	1,106,000	1,106,000
Federal TANF Block Grant	5,301,400	5,944,800	5,944,800
Public Assistance Collections Fund	228,000	473,000	473,000
Risk Management Fund	699,200	271,500	271,500
Special Administration Fund	215,500	573,500	573,500
Spinal and Head Injuries Trust Fund	86,900	86,900	86,900
Statewide Cost Allocation Plan Fund	0	1,000,000	1,000,000
Workforce Investment Act Grant	495,200	0	0
SUBTOTAL - Other Appropriated Funds	8,094,800	9,455,700	9,455,700
<b>SUBTOTAL - Appropriated Funds</b>	<b>35,595,500</b>	<b>39,479,300</b>	<b>40,559,900</b>
Other Non-Appropriated Funds	4,032,700	4,263,500	4,263,500
Federal Funds	72,346,200	77,000,200	77,000,200
<b>TOTAL - ALL SOURCES</b>	<b>111,974,400</b>	<b>120,743,000</b>	<b>121,823,600</b>

**CHANGE IN FUNDING SUMMARY**

	FY 2006 to FY 2007 JLBC	
	\$ Change	% Change
General Fund	1,080,600	3.6%
Other Appropriated Funds	0	0.0%
Total Appropriated Funds	1,080,600	2.7%
Non Appropriated Funds	0	0.0%
Total - All Sources	1,080,600	0.9%

**COST CENTER DESCRIPTION** — This cost center includes the Office of the Director, the Division of Employee Services and Support, the Division of Business and Finance, the Division of Technology Services, and the Division of Policy and Program Development. The cost center provides departmentwide administrative, research and evaluation, financial and computer automation support.



participates with the Arizona Department of Administration and the Department of Public Safety in this effort.

\* \* \*

**JLBC RECOMMENDED FORMAT** — Operating Lump Sum with Special Line Items by Program

**JLBC RECOMMENDED FOOTNOTES**

In accordance with A.R.S. § 35-142.01, the Department of Economic Security shall remit to the Department of Administration any monies received as reimbursement from the federal government or any other source for the operation of the Department of Economic Security West Building and any other building lease-purchased by the State of Arizona in which the Department of Economic Security occupies space. The Department of Administration shall deposit these monies in the state General Fund.

In accordance with A.R.S. § 38-654, the Department of Economic Security shall transfer to the Department of Administration for deposit in the Special Employee Health Insurance Trust Fund any unexpended state General Fund monies at the end of each fiscal year appropriated for employer health insurance contributions.

**OTHER ISSUES FOR LEGISLATIVE CONSIDERATION**

**Auditor General Recommendation**

In July 2005, the Auditor General released a performance audit regarding the department's information security measures. One finding in the audit recommended that DES contract for an independent, third-party review of its security practices. The finding also indicated that the agency should form an internal information technology auditing group. The Auditor General recognized that this would require additional FTE Positions and several hundred thousand dollars. Given a \$122 million budget, the division should be able to fund this within the recommended appropriation.

---

**SUMMARY OF FUNDS - SEE AGENCY SUMMARY**

---