

ARIZONA DEPARTMENT OF ADMINISTRATION - SUMMARY

A.R.S. § 41-701

Elliott Hibbs, Director

JLBC Analysts: Lynne Smith/Paul Shannon

General Fund and Other Appropriated Funds	FY 1999 Actual	FY 2000 Estimate	FY 2001 Approved
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Program Summary

Central Operations	20,293,100	20,812,800	20,753,800
General Services	24,178,300	29,857,200	32,973,900
Information Services	21,630,900	26,466,100	29,707,400
Risk Management	79,896,600	73,463,900	75,227,500
Human Resources	10,752,400	11,545,400	11,416,400
Total Appropriations	156,751,300	162,145,400	170,079,000

Expenditure Detail

FTE Positions	924.0	963.0	963.0 ^{1/}
Personal Services	24,512,700	26,896,500	27,446,700
Employee Related Expenditures	5,367,600	5,866,800	6,136,000
Professional and Outside Services	1,097,800	1,718,000	2,221,200
Travel - In State	226,000	196,600	345,100
Travel - Out of State	69,300	81,300	81,300
Other Operating Expenditures	12,134,300	15,048,000	15,497,400
Equipment	1,376,200	242,800	254,400
Operating Subtotal	44,783,900	50,050,000	51,982,100
Special Line Items	111,967,400	111,584,200	118,096,900
Additional Appropriations	0	511,200	0
Total Appropriations	156,751,300	162,145,400	170,079,000 ^{2/}

Fund Summary

General Fund	26,561,800	26,601,900	27,073,300
Air Quality Fund	295,600	464,100	475,400
Capital Outlay Stabilization Fund	7,540,900	8,877,300	8,521,700
Corrections Fund	524,200	530,400	553,700
Lease-Purchase Building Operating and Maintenance Fund	1,278,500	1,327,900	1,343,700
Motor Vehicle Pool Revolving Fund	8,170,400	10,307,000	12,859,900
State and Federal Surplus Property Funds	0	2,561,400	2,900,000
Technology and Telecommunications Fund	21,630,900	26,466,100	29,707,400
Risk Management Fund	62,009,200	73,463,900	75,227,500
Workers' Compensation Fund	17,887,400	0	0
Personnel Division Fund	8,382,500	8,707,200	8,536,500
Special Employee Health Insurance Trust Fund	2,369,900	2,838,200	2,879,900
Retiree Accumulated Sick Leave Fund	100,000	0	0
Total Appropriations	156,751,300	162,145,400	170,079,000

Agency Description — *The department provides centralized general support services to state agencies, including accounting, financial, personnel, building and grounds maintenance, purchasing, risk management, information technology, and Capitol Police services.*

^{1/} Includes 148.5 FTE Positions funded from Special Line Items in FY 2001.

^{2/} General Appropriation Act appropriation format varies by program.

ARIZONA DEPARTMENT OF ADMINISTRATION - SUMMARY (Cont'd)

Capital Outlay Appropriations: Arizona State Hospital: Appropriation (Chapter 1) — The bill appropriates \$20,000,000 in each of FY 2000, FY 2001, FY 2002, and FY 2003 from the Arizona State Hospital Capital Construction Fund to the Arizona Department of Administration (ADOA) for the demolition, renovation and construction of the Arizona State Hospital. The Arizona State Hospital Capital Construction Fund will receive revenues from interest earnings on the Budget Stabilization Fund. *(For further information, see the Arizona State Hospital section under the Department of Health Services in this report.)*

Capital Outlay Appropriations (Chapter 3) — The bill appropriates \$1,213,500 in FY 2001 from the Miners' Hospital Fund to ADOA to correct fire and life safety issues at the Arizona Pioneers' Home. The appropriation is exempt from lapsing.

Tax Relief and Fiscal Control (Laws 1999, Chapter 5, 1st Special Session) — The act appropriated \$3,403,400 from the General Fund to ADOA for FY 2000 building renewal. The appropriation was triggered as a result of FY 1999 General Fund revenues exceeding original revenue estimates.

Capital Legislation: Government Mall Office Buildings (Chapter 164) — The bill provides that ADOA may enter into a lease-to-own transaction with a private entity for 2 office buildings on the Capitol Mall. The state property and any improvements constructed by the private entity on state property are exempt from taxation during construction and during occupancy by the state. Any lease-to-own transaction shall be reviewed by the Joint Committee on Capital Review before taking effect.

The bill also establishes a Governmental Mall Land Study Committee to report by December 1, 2000 on the feasibility of expanding the Capitol Mall area and purchasing additional land.

Additional Legislation: Department of Administration: Conforming Changes (Chapter 280) — The bill has numerous provisions that affect the department, including the following with fiscal implications:

- Provides that a budget unit may spend monies to reimburse current employees for relocation expenses related to management initiated geographical reassignments of more than 50 miles;
- Allows an employee to transfer accumulated annual leave to a family member in another agency;
- Requires that, if the cost of renewable energy is not more than 5% higher than traditional power, ADOA shall use specified minimums of renewable energy to provide power to the department's facilities on the Capitol Mall as follows: 1% by 2003, 2% by 2004, 3% by 2005, and 10% by 2010;

- Changes the state employee bus subsidy from 50% to up to 100% and expands eligibility to non-university state employees in a county with a population over 400,000 (i.e., adds Pima County);
- Clarifies the FY 2000 and FY 2001 Classification Maintenance Review adjustments; and
- Provides that ADOA shall close the following funds, effective June 30, 2001: Long Term Care Reinsurance Fund (HCA 2222), Health Plan Performance Bond Fund (HCA 3734), Electric and Natural Gas Utility Assistance Fund (DEA 2221), Debt Service 87 (HURF) (DTA 5010), Debt Service M/RARF 87A (DTA 5009), Debt Service M/RARF 88A (DTA 5011).

Other Issues: State Boards' Office — The State Boards' Office provides centralized services to the state's smallest regulatory boards. Monies for the office come from the participating agencies and flow through the ADOA Special Services Revolving Fund. The office's expenditures are subject to appropriation, starting in FY 2000. The appropriation is shown in a separate State Boards' Office section of this report.

[Click here for more information from the initial biennial appropriations report \(June 1999\)](#)