



STATE OF ARIZONA

# Joint Legislative Budget Committee

STATE  
SENATE

1716 WEST ADAMS  
PHOENIX, ARIZONA 85007

HOUSE OF  
REPRESENTATIVES

DON SHOOTER  
CHAIRMAN 2016  
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STEVE FARLEY  
GAIL GRIFFIN  
KATIE HOBBS  
JOHN KAVANAGH  
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JUSTIN OLSON  
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RUSSELL "RUSTY" BOWERS  
VINCE LEACH  
STEFANIE MACH  
DARIN MITCHELL  
STEVE MONTENEGRO  
MICHELLE UGENTI-RITA

## MINUTES OF THE MEETING

### JOINT LEGISLATIVE BUDGET COMMITTEE

April 7, 2016

The Chairman called the meeting to order at 9:04 a.m., Thursday, April 7, 2016, in Senate Appropriations Room 109. The following were present:

Members:	Senator Shooter, Chairman	Representative Olson, Vice-Chairman
	Senator Cajero Bedford	Representative Alston
	Senator Farley	Representative Bowers
	Senator Griffin	Representative Leach
	Senator Hobbs	Representative Mach
	Senator Lesko	Representative Mitchell
	Senator Yarbrough	

Absent:	Senator Kavanagh	Representative Montenegro
		Representative Ugenti-Rita

### EXECUTIVE SESSION

Representative Olson moved that the Committee go into Executive Session. The motion carried.

At 9:05 a.m. the Joint Legislative Budget Committee went into Executive Session.

Representative Olson moved that the Committee reconvene into open session. The motion carried.

At 9:33 a.m. the Committee reconvened into open session.

### Arizona Department of Administration, Risk Management Services - Consideration of Proposed Settlements under Rule 14.

Representative Olson moved that the Committee approve the recommended settlements proposed by the Attorney General's office in the cases of:

(Continued)

- *Baird v. State of Arizona*
- *Kingsbury v. State of Arizona*

The motion carried.

#### **APPROVAL OF MINUTES**

Hearing no objections from the members of the Committee to the minutes of February 25, 2016, Chairman Don Shooter stated that the minutes would stand approved.

#### **ARIZONA DEPARTMENT OF ADMINISTRATION (ADOA) - Automation Projects Fund (APF).**

##### **ADOA - Review of Automation Projects Fund Expenditure Reallocation.**

Ms. Rebecca Perrera, JLBC Staff, stated that the Committee is required to review APF expenditures prior to expenditure. The Arizona Strategic Enterprise Technology (ASET) office requested Committee review a reallocation of its FY 2015 APF appropriation. The FY 2015 APF appropriation included \$2,900,000 for the replacement of the mainframe at the State Data Center. ADOA is proposing to expend \$433,000 of its remaining unspent funds from this appropriation to extend the warranty for its current data storage subsystem devices and to complete an assessment for a hosted mainframe solution. The JLBC Staff presented options to the Committee.

Mr. Paul Shannon, Assistant Director, Budget and Resource Planning, ADOA, responded to member questions.

*The Committee requested more details on the scope of work and hourly rate of the Hosted Mainframe Assessment Contract before considering the request.*

##### **ADOA - Review of ASET Projects (Automation Projects Fund).**

Ms. Rebecca Perrera, JLBC Staff, stated that the Committee is required to review APF expenditures prior to expenditure. ADOA requested review of \$925,000 in FY 2016 expenditures from the APF for an Enterprise Directory Services single sign-on project in the ASET office in ADOA. The JLBC Staff presented options to the Committee.

Mr. J. R. Sloan, Deputy State CIO, Digital Government Program Manager, ADOA, responded to member questions.

*Representative Olson moved that the Committee give a favorable review of \$925,000 in FY 2016 expenditures from the APF for an Enterprise Directory Services single sign-on project in the ASET office in ADOA. The motion carried.*

##### **ADOA/DES - Review of Department of Economic Security Network Access Control (Automation Projects Fund).**

Mr. Tom Ritland, JLBC Staff, stated that the Committee is required to review APF expenditures prior to expenditure. ADOA requested review of \$487,000 in FY 2016 expenditures from the APF for a DES

(Continued)

Network Access Control project. The JLBC Staff presented options to the Committee.

*Representative Bowers moved that the Committee give a favorable review of \$487,000 in FY 2016 expenditures from the APF for a DES Network Access Control project. The motion carried.*

**ADOA/DEQ - Review of Department of Environmental Quality Phase 3 Web Portal Expenditure Plan (Automation Projects Fund).**

Mr. Josh Hope, JLBC Staff, stated that the Committee is required to review APF expenditures prior to expenditure. ADOA requested review of \$5,000,000 in FY 2016 expenditures from the APF for Phase 3 of the development of DEQ's web portal. The JLBC Staff presented options to the Committee.

Mr. Misael Cabrera, Director, DEQ, responded to member questions.

*Representative Olson moved that the Committee give a favorable review of \$5,000,000 in FY 2016 expenditures from the APF for Phase 3 of the development of DEQ's web portal with the following provision:*

- A. *The results of the quarterly third-party reviews are to be provided to the Chairman of the JLBC, the JLBC Staff, and any member of the Committee who requests a copy.*

The motion carried.

**ADOA - Review of Written Guidelines for Reviewing and Approving Lodging Rate Waivers.**

Ms. Rebecca Perrera, JLBC Staff, stated that the Committee at its September 2015 meeting, approved ADOA's lodging reimbursement rates. These reimbursements compensate state employees traveling on official state business. As part of its review, the Committee included a provision requiring ADOA to submit its written guidelines for approving lodging rate waivers to the Committee for review. The JLBC Staff presented options to the Committee.

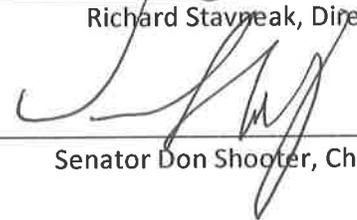
*Representative Olson moved that the Committee give a favorable review of the submitted guidelines for approving lodging rate waivers. The motion carried.*

Without objection, the meeting adjourned at 10:00 a.m.

Respectfully submitted:

  
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Kristy Paddack, Secretary

  
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Richard Stavneak, Director

  
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Senator Don Shooter, Chairman