

Agency: Other

Proposal: Eliminate FY 2009 and FY 2010 Arizona 21st Century Fund

FY 09 Savings: \$22,500,000

FY 10 Savings: \$25,000,000

This option would eliminate the FY 2009 and FY 2010 Arizona 21st Century Fund deposits. Laws 2007, Chapter 260 deposited \$25,000,000 into the Arizona 21st Century Fund for each year from FY 2008 - FY 2011. The FY 2009 budget reduced the FY 2009 appropriation by \$2.5 million to \$22.5 million and increased the FY 2011 appropriation by \$2.5 million to \$27.5 million.

These monies are awarded to a non-governmental entity through a memorandum of understanding with the CEDC. The non-governmental entity, Science Foundation Arizona (SFAz), then distributes the monies in the form of grants to help facilitate economic development in the fields of science and engineering. Specifically, SFAz expends monies for research and development grants, small business seed capital, graduate research fellowships, K-12 student and teacher programs, and federal research awards.

As of the end of FY 2008, SFAz had expended a total of \$17.7 million out of \$60 million contracted to them in FY 2007 and FY 2008. *Table 1* below breaks down the total awards and expenditures by program.

Table 1	<u>FY 07 - FY 08 Awards</u>	<u>Expenditures</u>
Federal Research Awards	\$ 7,605,300	\$ 4,662,800
Small Business Seed Capital	2,416,100	2,166,100
Graduate Research		
Fellowships	9,000,000	2,785,000
K-12 Students	1,650,000	1,650,000
K-12 Teachers	1,480,000	1,480,000
Research & Development Grants	15,143,500	4,394,100
Administration/Management	0	562,300
Unawarded	<u>22,705,100</u>	<u>0</u>
Total	\$60,000,000	\$17,700,300