

Office of the Governor

	FY 2020 ACTUAL	FY 2021 ESTIMATE	FY 2022 BASELINE
OPERATING BUDGET			
Lump Sum Appropriation	6,670,300	7,424,800	7,424,800 ^{1/2/}
SPECIAL LINE ITEMS			
Crisis Contingency and Safety Net Fund Deposit	50,000,000	0	0
Foster Youth Education Success Program	1,500,000	1,500,000	1,500,000
AGENCY TOTAL	58,170,300	8,924,800	8,924,800 ^{3/}
FUND SOURCES			
General Fund	58,170,300	8,924,800	8,924,800
SUBTOTAL - Appropriated Funds	58,170,300	8,924,800	8,924,800
Other Non-Appropriated Funds	2,201,300	3,538,700	3,538,700
Federal Funds	710,479,500	1,209,566,500	34,969,600
TOTAL - ALL SOURCES	770,851,100	1,222,030,000	47,433,100

AGENCY DESCRIPTION — The Governor is the state’s Chief Executive Officer and responsible for the execution of state laws. The Office of the Governor includes the Office of Youth, Faith and Family, the Office of Constituent Services, the Arizona-Mexico Commission, as well as others.

FOOTNOTES

- 1/ This appropriation is a continuing appropriation and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. (General Appropriation Act footnote)
- 2/ Included in the lump sum appropriation of \$7,424,800 for fiscal year 2021-2022 is \$10,000 for the purchase of mementos and items for visiting officials. (General Appropriation Act footnote)
- 3/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

Operating Budget

The Baseline includes \$7,424,800 from the General Fund in FY 2022 for the operating budget. This amount is unchanged from FY 2021.

Foster Youth Education Success Program

The Baseline includes \$1,500,000 from the General Fund in FY 2022 for the Foster Youth Education Success Program. This amount is unchanged from FY 2021.

The Foster Youth Education Success Program was established to improve the educational outcomes of children in Arizona’s foster care system.

Other Issues

COVID-Related Spending

Laws 2020, Chapter 56 appropriated \$50,000,000 from the General Fund to the newly-created Crisis Contingency

and Safety Net Fund in FY 2020. The fund is administered by the Governor's Office and monies can only be spent for housing assistance, homeless services, economic assistance to small business with fewer than 50 employees, nonprofit organizations, healthcare providers, and food bank operations following an emergency declaration by the Executive. The Executive is required to notify the President of Senate, Speaker of the House of Representatives, and JLBC of the intended use of monies prior to expenditure. As of December 2020, the Executive has allocated a total of \$43,945,000 from the fund (see *Table 1*).

In addition to state appropriations, Arizona has received \$1.86 billion from the federal Coronavirus Relief Fund based on its share of the population. Monies are controlled by the Executive and may be used for necessary expenditures incurred due to the public health emergency from March 1, 2020 to December 30, 2020. As of December 2020, the Executive has allocated \$1.66 billion from the fund (see *Table 2*). (Please see the *COVID-Related Spending Summary at the front of this book for more information*).

Table 1	
Crisis Contingency and Safety Net Fund Allocations	
Homeless Shelters and Housing	\$18,150,000
Economic Assistance to Nonprofit Organizations/Small Businesses	16,970,000
Economic Assistance to Healthcare Providers	5,450,000
Food Assistance	<u>3,375,000</u>
Total	\$43,945,000

Table 2	
Coronavirus Relief Fund Allocations	
(\$ in Millions)	
Local Governments	\$441
State Agency Reimbursements ^{1/}	396
Schools Districts and Charter Schools	370
Arizona Express Pay Program ^{2/}	150
Universities COVID-19 Response	123
Hospital Staffing	85
Department of Health Services Expenses	70
Secretary of State Early Voting	9
2020 Census Support	5
Office of Tourism Marketing Campaigns	4
Arizona Commerce Authority Business Assistance	2
Arizona Virtual Teacher Institute	2
Arizona Stay Connected Program ^{3/}	<u>2</u>
Total	\$1,659

^{1/} State agencies were reimbursed for \$300 million in General Fund expenditures and \$96 million in Other Fund expenditures for public health and public safety expenses.

^{2/} Expenditures from the Arizona Express Pay Program will be reimbursed through the Federal Emergency Management Agency (FEMA) Public Assistance program.

^{3/} The Arizona Stay Connected Program provides \$10,000 technology grants to skilled nursing facilities and intermediate care facilities.

SUMMARY OF FUNDS	FY 2020 Actual	FY 2021 Estimate
Coronavirus Relief Fund (GVA2975/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Monies received by the state from the federal COVID-19 response legislation. Arizona received \$1.86 billion from the Coronavirus Relief Fund established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act based on the state's share of the population. Expenditures from this fund may also be reported in individual agencies and would double-count these expenditures.		
Purpose of Fund: Monies are allocated by the Governor to supplement costs of the state's COVID-19 response, including necessary expenditures incurred by the state due to the public health emergency from March 1, 2020 to December 30, 2020.		
Funds Expended	682,390,800	1,174,596,900
Year-End Fund Balance	1,174,596,900	0

SUMMARY OF FUNDS	FY 2020 Actual	FY 2021 Estimate
County Fairs Livestock and Agriculture Promotion Fund (GVA2037/A.R.S. § 5-113)		Non-Appropriated
Source of Revenue: General Fund appropriations.		
Purpose of Fund: To promote Arizona's livestock and agricultural resources and conduct an annual Livestock Fair at the Coliseum and Exposition Center. The direct expenses, less receipts, of the annual Livestock Fair are paid from this fund. Net expenditures for the Livestock Fair are limited to 30% of all receipts deposited to this fund during the preceding fiscal year. All expenditures from this fund must be recommended by the Livestock and Agricultural Committee and approved by the Governor. Expenditures are not displayed to avoid double counting the General Fund.		
Funds Expended	0	0
Year-End Fund Balance	482,100	528,700
Crisis Contingency and Safety Net Fund (GVA3240/A.R.S. § 41-110)		Non-Appropriated
Source of Revenue: Legislative appropriations, public or private gifts, grants and donations.		
Purpose of Fund: Monies in the fund may only be distributed by the Governor for the following forms of economic assistance during a state of emergency: 1) housing assistance; 2) services for homeless persons; 3) economic assistance to small businesses with less than 50 employees, non-profit organizations, and health care providers; and 4) monies for food bank operations. Expenditures are not displayed to avoid double counting the General Fund.		
Funds Expended	0	0
Year-End Fund Balance	35,300,000	0
Federal Grants (GVA2000/A.R.S. § 4-101.01)		Non-Appropriated
Source of Revenue: Federal grants for various purposes, including services for women, children's services, and the Office for Drug Policy.		
Purpose of Fund: To provide separate accounting for the administration, supervision and distribution of federal grants made to the Office of the Governor, on behalf of the State of Arizona.		
Funds Expended	28,088,700	34,969,600
Year-End Fund Balance	18,400	0
Governor's Endowment Partnership Fund (GVA3206/A.R.S. § 41-1105)		Non-Appropriated
Source of Revenue: Public or private gifts, grants and donations. All donations, except those from established non-profit economic development organizations, are limited to \$5,000, per person, each fiscal year.		
Purpose of Fund: This fund was established by Executive Order 92-7, to promote the interests of the state and encourage public service to Arizona by its citizens. Expenditures may include promoting economic development in Arizona, recruiting new industries, appropriate memorabilia or gifts for dignitaries or citizen volunteers, and promoting good working relationships between the various branches of national, state, and local governments.		
Funds Expended	213,000	330,400
Year-End Fund Balance	(26,600)	(181,300)
IGA and ISA Fund (GVA2500/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Monies received through intergovernmental and interagency service agreements.		
Purpose of Fund: To execute intergovernmental and interagency service agreements.		
Funds Expended	1,399,000	1,805,500
Year-End Fund Balance	2,345,300	1,789,800
Indirect Cost Recovery Fund (GVA9000/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Charges made to interagency agreements and monies transferred from the department's appropriated and non-appropriated funds.		
Purpose of Fund: To pay departmentwide administrative and overhead costs.		
Funds Expended	589,300	1,005,300
Year-End Fund Balance	8,054,800	8,776,000

SUMMARY OF FUNDS	FY 2020 Actual	FY 2021 Estimate
Prevention of Child Abuse Fund (GVA2439/A.R.S. § 41-109)		Non-Appropriated
Source of Revenue: The fund receives \$17 of the annual \$25 fee for original and renewal child abuse prevention special license plates.		
Purpose of Fund: To be allocated by the Director of the Division for Children in the Governor's Office for programs to prevent child abuse in the state of Arizona. Not more than 3% of annual fund revenues shall be used to administer the fund.		
Funds Expended	0	397,500
Year-End Fund Balance	493,500	292,700